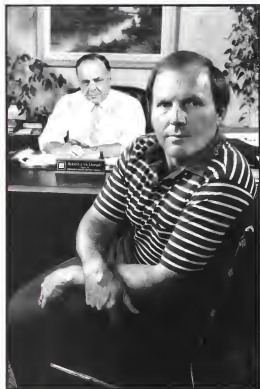


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LETTERS

PROFILE OF A LEADER

After reading "The private Prime Minister" (Cover, June 18), I can only come to the conclusion that this is another well-orchestrated attempt to bolster Brian Mulroney's popularity through publicity for the backbiting family man. I would gladly trade my eight-hour days, Zellers Club Z card and 1990 Chrysler for his 33 hours, privileges and assorted lies.

Wynne K. Sullivan,
London, Ont.

As a Liberal, I will do all I can to defeat Brian Mulroney's Conservative party in the next federal election, but I still feel that your political profile was a godsend. It is no mystery to a political leader: by personal attributes, or by rumors that go with my office. I am confident that those who will elect the next government want real policy alternatives with some thought behind them, not a jingoism of hate, conspiracy and vitriol.

Bob Delaney,
Mississauga, Ont.

Your cover article is an example of what is wrong with the Prime Minister and his government. When you cut away the smokes and obnoxious images, the man is all Mulroney and no substance. He views everything as a public-relations exercise rather than as an opportunity to implement real change. The good news is that Canadians have only two years to wait to know him out.

Allan K. Rivt,
London, Ont.

Your daring lecture on Brian Mulroney could have been written by Mike Mulroney. If Mulroney really "knew a secret" he claims, he should call a federal election.

B. F. Meier,
Point Claire, Que.

FOOD FOR SOCIALIST THOUGHT

Those cheers for Diane Francis for having the courage to tell us what it is like under Bob like's nose? ("The secret politics of Ontario's socialist," *Citizen*, June 26). She is not going to win any popularity contests with her believers, but her persistence should give them a great deal of food for thought about the motives of their gods and how terribly wrong they are. *Jenna Melton, Brampton, Ont.*

Well, here we go. Mulroney's cranks up its propaganda machine to help defeat the Ontario 302 in the next election. It is never too early to



Mulroney: privileges and armored lies

start, and Diane Francis's column is a great way to get the ball rolling. Her column was nothing but ugly political bashing. As part of corporate Canada, Mulroney's knows that it must do its best to control any government not controlled by big business.

Stephen Finnett,
Kitch, B.C.

John Maynard Keynes would have applauded the recent Ontario budget, which employs the same Keynesian principles used for years to wreck economies from recession. Please come in from the cold, far-right France. It must be lively with only Margaret Thatcher's ghost for company.

John Rook,
Lakefield, Ont.

PLAYING GAMES WITH CUBA

Your Opening Note "A warning for Canadians in Cuba" (May 20) is a classic example of selective reporting. Your decision to report on two of three scenarios from 17 pages in three paragraphs creates a distorted view of Cuba. Yes, visitors might be taken soap and be wary of tales in the sidewalks. What is missing from your story, however, is any understanding that the Cubans are working tremendously hard to ensure that the Pan-Am Games will be a positive experience for everyone.

Frank Radcliffe,
Director, Communications,
Canadian Olympic Association,
Ottawa

Letters are edited and may be condensed. Writers should spell names, address and telephone number. Mail correspondence is sent to Editor-Magazine, *Star*, 177 Bay St., Toronto, Ont. M5T 1A7.

PASSAGES

SENTINCE: Indefinite Singh Rajay, 39, to 18 years in prison, by a B.C. Supreme Court judge. In May, the former Duncan, B.C., resident was convicted of two manslaughter and five explosives-related offences for his role in building a bomb that killed two baggage handlers in Tel Aviv's Merca airport in June, 1983. The bomb had been on the air India flight for which it was intended, the explosion would have occurred with wonder off the coast of Beirut, which killed 359 people on a second air India flight. Police believe that both bombs had been placed by Sikh separatists on flights originating in Vancouver. Rajay will be eligible for parole after serving one-third of his sentence.



DRUG: British actress Diane Fanny Ashcroft, 63, after she suffered a stroke last month from which she did not regain consciousness, in a London hospital. Ashcroft, wife of Britain's finest stage and film actresses, had a long career with London's Royal Shakespeare Company. Her movie roles included roles in *Alfred Hitchcock's The 39 Steps* (1951) and an Oscar-winning performance in *Sex David Leav's A Passage to India* (1984).

DRUG: One of the world's greatest concert pianists, Claudio Arrau, 88, in a Minneapolis, Austria, hospital, from complications after abdominal surgery. Arrau, who was a prominent supporter of Beethoven's works, lived in the United States since 1941 and refused to play in his native country during the regimes of both

Nazi and Soviet. Arrau died of a heart attack on June 2, 1984, at age 81, he returned to Chile, a country in his home appeared in live television, and people held up overnight to buy his concert tickets.

DRUG: Veteran British actor Lord Bernard Miles, 63, peacefully in his sleep, as a Yorkshire actor during home. Although Miles acted in hundreds of plays and dozens of films, he was best known for his portrayal of King Lear. In 1969, he founded the Mercat Theatre in London, which is still active today.

RECOVERING: In a New York City hospital after surgery he received a walking stick from his chest, actor's former sports broadcaster Howard Cosell, 72.

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OPENING NOTES

William Vander Zalm leaves a vacuum, Keith Spicer looks to his future, and Mohawks embrace Moammar Gadhafi

LAND OF THE RISING SUN

As soon as Keith Spicer, chairman of the Chinese Caucus on Canada's future, leaves his \$37,400-a-year post as Canada's future, it seems that he will have to decide his own. Indeed, Ottawa insiders say that despite a formal undertaking from Prime Minister Brian Mulroney that Spicer can return to his former post as chairman of the Canadian Radio-television and Telecommunications Commission in July, the political maneuvering has not his rights as becoming Canada's ambassador to Japan by the end of the summer. But the same sources also speculate that the Prime Minister has another position in



Spicer's life after the furor

mind for Spicer. And they add that Mulroney is considering a different candidate altogether for Japan's top diplomatic post Gordon Smith, who was unexpectedly dismissed from his post as secretary to the cabinet for federal-provincial relations last week. The Prime Minister's Office has already announced that Smith is in line for a foreign posting. For the moment, Spicer has publicly stated that he is thinking only about the arts. But if he resumes his old job, the move will not be welcomed by the cable to industry. Michael McCabe, president of the Canadian Association of Broadcasters, is actively campaigning against Spicer's return because of his opposition to rate-increase applications by the cable companies. If Mulroney allows Spicer work outside the arts, the likely effect apparently will have worked. They feared.

A new patron for natives

Three Mohawks from the Kahnawake reserve, south of Montreal, went to Tokyo last week with 16 other North and South American Indians to accept a \$250,000 Moammar Gadhafi International Prize for Human Rights. At the ceremony, which Gadhafi did not attend, the officials praised the "dilemma" struggle against white domination and criticized the policies of Israel and the West. But reports of the trip drew decidedly mixed reviews from members of the Mohawk nation. Declared Douglas George, editor of the *Algonquin News-Journal* (Times published near Cornwall, Ont. "It's outrageous, it's insulting," he added. "Gadhafi is a criminal. It's like giving a human rights award from Hitler." But Dave Shaw, who coordinates the Mohawk native office at Kahnawake, expressed considerable enthusiasm. "It should be a honor to



Gadhafi: the victor of propaganda?

be recognized by other nations for what we have stood up to," he said. And the editor: "I'm proud before all the propaganda about Gadhafi, that's to be the detour. The same kind of propaganda was used against us—and we are righteous and just."

FICTION AND DYSFUNCTION

A new novel by Peter Davis is unlikely to please the author's parents, Ronald and Nancy Reagan. Said Davis of a House of Secrets, his third novel, which will be published in August: "It's a report of my progression in coming to terms with my childhood and my life. Essentially, it was the only way I could tell this story at this time." The book, added Davis, is about a girl from a "highly dysfunctional family." The girl's mother is cruel and dominating, and the father's eyes are described as "cold and empty, focused on nothing." *Murphy and Daddy* doesn't

A MATTER OF TASTE BUDS

New York City restaurant owner, Mike Sherman took his legendary taste buds to Toronto recently and found the city's eatery to be lacking. In an article in the *Just Eat* of the *Globe and Mail*, Sherman suggests, Sherman writes: "Hardly does one find so wide a variety of well-prepared ethnic cuisines as in Toronto, a result of the handsome city's diverse immigrant population." High praise indeed from one of America's leading food critics. In all, Sherman recommended 14 restaurants and named only three.

She did single out Joe's for special praise—a Mediterranean restaurant in the downtown area that features a collection of art celebrating the food. And when Joe's owner, Joe Kato, one of Canada's foremost restaurant critics, and the article, the *Just Eat* was "not to touch." Said Kato about her full-page review: "She's right about the food at Joe's, but the reviews are offensive. Maybe she liked them because they look like her."



Inside Joe's celebrating the female review

Tough times

British Columbia's governing Social Credit party is not just the same without William Vander Zalm. Ever since the *Handyman* premier resigned in disgrace last March, the party has been making a spotty record in opinion polls. Now even the *Social Credit* party is in a state of disarray.



Blay: "defeat in the polls"

to be at the address. Langue party favorite Grace McCarthy says that she is undecided about whether to run and, so far, the only excitement has come from the incumbent, saying between now and President Bill Johnston and former finance minister Melville Couillard. But even that has failed to attract the party faithful to crucial riding meetings. "The way things are going, we'll go down to disastrous defeat in the polls," said leadership candidate Barry Blay, who threw his hat into the ring on June 6. Said Blay, a Duncan teacher who openly acknowledges being a dark horse in the race: "The party will be lucky to win five seats in the next election." Political analysts have expressed similar views. Better this month, Vancouver Sun columnist Vaughn Palmer characterized the race so far as "few leads, fewer ideas, and no excitement." And as Vancouver's local city affiliate is considering scaling back its coverage of "the race looks like a language confusion," according to producer Douglas Hamilton. *Leichtbilde* Lethbridge

FLYING THE UNFRIENDLY SKIES

Harmed airline passengers frustrated by lost luggage and flight delays will soon be able to enjoy a novel way to vent their spleen—thanks to the uppy named Zipex Inc. of Bethesda, Md. The company announced last week that it will sell a new line of greeting cards in airports throughout the United States and Canada that are directed at the airline executives offices of 14 major American airlines. On the front of one of the \$2.50 cards, the greeting reads: "You do things differently." But the inside states: "How about doing them right?" Said Zipex chairman Byron Kilian: "It's a way for travellers to express their emotions without being destructive about it." An idea that should have no trouble taking off.

NO PLACE LIKE HOME

Last week, U.S. government officials announced the arrest of a Washington's "political underclass" list, which ranks almost 250,000 people living in the United States because of their longest-held political beliefs. But Canadian author Patsy Mowat, who discovered that she was on the list in 1985 when American immigration officials denied him entry, says that he is not in the list even though the U.S. government subsequently agreed to let him travel there. "I'm pissed off. I should be included from that country, which is the best place in the world I would want to go to," he says. "Other people on the list include the late Michael G. Gahagan, Gabor Gabor, Gabor Gabor, and Canadian trade minister James Hunter. Said Mowat: "I won't go there until I get a letter of apology from a president of the United States."



Mowat: not the U.S. list or last

Under the Endangered Species Act, environmentalists in the United States have been using the rare spotted owl to save West Coast old-growth forests. Now, the owl has been found out of its usual nesting territory and into British Columbia. Recent reports that biologists there located a nest—only the second ever found in the province—have increased concern that owls to protect the bird may threaten logging jobs. Indeed, logger unions bearing such sentiments as "I love owls—huh-uh" have also been sighted in British Columbia. *Fostered* British Columbia.

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COLUMN



A challenge to the new chancellors

BY BARBARA AMES

Political correctness is the ineliminable conversation of the month. I read Maclean's account of how sensitive questions about race, gender and ethnicity are declared taboo on Canadian culture campaigns. What baffled me were the events at York and then, the University of Toronto. Here could matters have reached the point where a "cultural anthropologist," James Cameron, would have been driven from his chair, his services shuttled by students alone? Was this the society he taught, or was he the student in need? Why on earth did this faculty association not protest if a large black male chose Caucasian for the half-hour black model presentation in the Theatre of the Arts?

As I returned to accounts of the transhumance of Canaan, whose only crime seems to have been to organize an exhibition educating the public about the darker side of white criminality, I could only suggest that the use the university for every poster in the name of all decent black, white and yellow people. Students who attempt lectures or sell such epithets as "racist bitch" have no place in a civilized society, let alone on a college campus.

My first brush with the thought police came in 1977, when the Manitoba and Ontario human rights commissions tried to impose cer-

swelling on Marjane's after I used what they deemed was a politically incorrect word. I wasn't lone readers with the details, which inspired me to write a book called *Confessions* (now-out-of-print, let me think that this is self-promotion). I will only say what I fully documented in the book: the tactics of the commissioners were odious and anti-democratic. They have put to conscience me otherwise, which is why I know that no human rights commission in Canada will give a fig for Ciarrozi's human rights.

Why is it that the universities accept such socialism? Why is it that in this century, it is academia that has been the most fertile ground for the worst ideologies, giving food and comfort to boob nations and communists? The

Why is it that universities have been fertile ground for the worst ideologies, giving comfort to both nazism and communism?

moreover, one supposes, is that the people whose very business is sales will, from time to time, embrace the worst ones. They, like health care workers, will necessarily be at the front line of risk when a virulent virus appears.

One take-away from the knowledge that the universities have also been the breeding ground for the resistance to these viruses is to remember that it was D. O. Hebb, chancellor of McGill University from 1952 to 1964, who opposed the efforts to silence Prof. Arthur Jensen of the University of California after the fiasco over Jensen's research on race and intelligence. Wrong: Hebb is a letter to *American Psychologist* "Jensen is not antisocial, or even cold, or antisocial to make his argument, even if he has made errors of interpretation. It is applied at the quality of criticism from social scientists. Their reaction is diagnostic and emotional, and to hell with logic."

Will we hear that from our current chancellor in Toronto? Well, that's an interesting question in itself. The new chancellor of York University is Oscar Peterson, Princeton, a black, is a brilliant jazz pianist, and one could imagine him as dean of the university's school of music. But what possible qualifications—other than his fashionable status as a musician—

The new chairman of the University of Toronto at Rose Weitz. Who is Weitz, you ask? She is a friend of Ariane Pindy Kas, wife of Ontario's premier, Jewish, and the widow of Ray Weitz, a brilliant businessman who was unsuccessful in his bid for the Liberal party. None of those facts excludes her as a possible chairman. But I can't help feeling that Weitz's origins and the fact that she is a woman are her major contributions.

Her curriculum vitae reveals her as an indefatigable country music lover, a woman with a noted record of service as a volunteer at a music festival. Our society would be much the better without such people. All the same, without casting aspersions on the fine character of either Perrow or Wells, one can see the political correctness behind their appointments. The chancellor is largely a symbolic role as leader head of the university, but a symbolic matter. These appointments are saying thus we live in the fashion of the times. Surely, that message is quite the opposite of what one expects from a great university.

When I spoke last week to Leticia Tupper, Charles Darwin Professor of Anthropology at Rutgers University and a distinguished writer on sex roles and social structure, I asked her why he thought accomplished blacker men from mainstream American society were joining the politically correct movement and shedding "diversification." He was quoted as first "Gee-whizz!" the answer was, "that he came the lingua franca of our times. Everybody craves victim status. And so the politically correct movement has to do with a kind of self-righting adjustment of who is the greatest victim of our times."

Those professors I spoke to at the University of Toronto had a slightly different view. They blamed the education system. Students graduate from high schools with little knowledge of history and no training as to how to think. "They are bright and intelligent," says Prof. Jack McLeod, himself a victim of the anti-smoking war of political correctness, "but charmed." He adds: "They know how to deconstruct and hit facts, but nothing else. They were 'data' but not ideas."

"They ask that they are well-informed by television news and they hate reading. The orthodoxy is that there should be no serious discourse and so it must be shouted down. When we had a discussion about free speech and mentioned Hitler, a bright student came in afterwards and asked, 'Was he Hitler?' About 15 per cent of the freshman class knew who John A. Macdonald was, and per cent knew who Wilfrid Laurier, and when the student's name mentioned, they ask if he was before or after the Second World War. The point is—the academics are dumb."

Does politically correct really matter? In essence, our universities have never shown much diversity of opinion, particularly when compared with the 1970s when many a conservative point of view was to be found on campus. But what about this diversity? The occasional service of a Confucius? One awaits the pronouncement of our new chancellors with interest.

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Reform supporters at last week's rally in Toronto: three mainstream parties are concerned by the rise of Reform

CANADA

GAINING GROUND

It was the largest political rally ever held by the four-year-old Reform Party of Canada. More than 6,000 people gathered in Toronto last week to hear the views of party leader Preston Manning during a five-day, coast-to-coast tour of Ontario. But at the Toronto rally and others, small bands of Liberal, Independent and left-right activists chanted slogans denying the party's policies on racism, sexism and homophobia. On a live radio broadcast and at news conferences, meanwhile, the anti-spoken Manning was repeatedly pressed to defend his party's policies on immigration, multiculturalism and bilingualism, which opponents claimed smacked of intolerance and bigotry. Thus, addressing the cheering supporters in Toronto, he responded directly to his critics. The Reform party, he said, is not separatist, anti-French or obsessed with single women like divorce. He added: "Does the Reform party promote or at least tolerate racist positions? The short answer to that question is 'no.' The long answer is that nothing could be further from the truth."

Even some analysts who disagree with the

DEFYING CRITICS, REFORM PARTY LEADER PRESTON MANNING DRAWS HUGE CROWDS IN ONTARIO

Reform party's most controversial policies said that the allegations of racism were deliberately inflammatory. University of Toronto history professor Michael Bliss, for one, said "The charges of racism reflect no more than applied to the Reform party than the charge of communism that used to be made against the CIO and the IWW. To say that is to overstate it." Still, the sporadic anger aroused by Manning's eastern tour—his first since the party announced on

June 8 that its 60,000 western members had approved expansion into Ontario and Atlantic Canada—underscored the increased anxiety that the party will receive as it takes to the national stage. And Reform's political opponents welcomed the heated attention. Declared Toronto lawyer John Tory, a key Ontario adviser to Prime Minister Brian Mulroney: "I think that the Reform party, when it is held accountable for its own platform, will be found wanting. Those who feel its rather simplistic message sharing will find some second thoughts when they start hearing the tough answers to the tough questions that Reform has not truly been confronted with yet."

Members of all three mainstream federal parties say that they are concerned by the rise of Reform. That concern is loudest among the governing Conservatives, who, analysts say, would prefer most from a competition for right-wing support during an election. Reform opponents in Ontario, anticipating the party's second decision to expand, began organizing last fall. By last week, said Richard Goss, a publisher in Rochester, Ont., and Reform's

chief Ontario organizer, the party had formed seven associations in 72 of the province's 99 federal ridings—and had 13,000 paid-up Ontario members. Goss's efforts received encouragement in April, when a Gallup Canada poll showed that 15 per cent of respondents in Ontario supported the Reform party—a five-fold increase over the party's showing in the previous month. The same poll showed 13 per cent support for the federal Tories.

Support shifted in an early-May Gallup poll to a 15-to-13 margin in favor of the Tories. Still, Reform's gains in Ontario, together with spring polls indicating that the party may win as many as 40 of the 56 Commons seats in Western Canada, have led to predictions that Reform may doom the federal Conservatives. Declared Bliss: "To confess that the Reform party will destroy the Conservative party in Ontario and effectively destroy the Conservatives in a political sense in Canada." Clearly, Reform has struck a responsive

chord. It was the deficit and overspending in '87 that frustrated "I'm impressed by Manning's 'economic sense,'" Hoyt, a former Tory, has once before to organize 18 Reform riding associations in central Ontario.

Ontario's Reform organizers acknowledge that some party policies have not convinced all and surprise. As part of its plan to control public spending, the party calls for an end to federal grants supporting multiculturalism and favors severe restrictions on official bilingualism. Another stated policy calls for immigration quotas based strictly on Canada's economic needs. Said Hoyt: "Because we propose to decrease a few sacred cows, some people just assume that we are racist." For his part, Manning denounced that assumption last week: "People who know nothing about our policies, have met some of our key people, attend talks to us," he told 1,100 supporters at Ottawa's Civic Centre. "That demonstrates the very prejudice we'll like to see reduced or eliminated from federal policies."



Manning with Reform MP Deborah Grey on Sunday

The Reform party may be sweeter after objections in Atlantic Canada, where it opened at that regional office last week in Dartmouth, N.S. According to regional coordinator Howard MacDonald, the party has about 500 members and a half-dozen fledgling associations in the region's 32 federal ridings. MacDonald said that he expected Reform's platform of reduced spending to prove popular in the region. But Joseph Stewart, a businessman and prominent Nova Scotia Tory organizer, sharply disagreed. Said Stewart: "Government restraint sounds fine in Alberta or Ontario, but it's a different matter altogether in Atlantic Canada, which is so dependent on government programs."

Atlantic Reformers say that they are hoping that a planned tour of the region by Manning's full-time campaign manager, John Harper, will help. Harper, who is also a Reform MP, says that he is a different matter altogether in Atlantic Canada, which is so dependent on government programs.

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new members to their cause. That was certainly the case whenever the party leader went in Ontario last week. Ontario teacher Gordon Katsch, 33, was near the head of the line at the recruitment tables after Manning conducted his speech at the Civic Centre. After paying his \$20 membership fee, Katsch, a Reform MP supporter, told Maclean's that Manning's criticism of government spending and official bilingualism led to his conversion. Unlike other national leaders, he said, Manning "told it like it is." If it can remove the efforts of politicians who claim the party has led to a decline in public perceptions of Canada, he says, Reform's biggest asset of all is its outward campaign.

BRAD BRIDGMAN with GLEN ALLEN in Ottawa and JOHN DUNAWAY in Halifax

National Notes

A PRIMER'S REVERSAL

Ontario Premier Bob Rae, whose narrow-vote Liberal government has overruled a series of controversies over the performance of cabinet ministers, presented criticism when he first accepted, then rejected, the resignation of Wayne's Issues Minister Ann Sweeney. She and Northern Development Minister Shirley Murtal, whose offer to resign before the cabinet was also rejected when Rae considered it, had breached government rules by attending a disciplinary case before the Ontario College of Physicians and Surgeons against a North Bay pediatrician convicted last year of sexually assaulting four female patients. The college has suspended the doctor's license.

BUREAUCRATIC SHUFFLE

Constitutional Affairs Minister Joe Clark's top adviser, Gordon Smith, was demoted as secretary to the cabinet for federal-provincial relations. Smith's duties will be assumed by Prime Minister Brian Mulroney's top aide, Paul Telfer, who will continue to serve as clerk of the Privy Council. Opposition MPs denounced the change, claiming that it showed that Clark will play a subordinate role as national party boss to Mulroney.

A SECOND OPINION

Quebec Health Minister Mario-Eve Gosselin agreed to reconsider plans to "revitalize" his doctors to improve health of medical care after Quebec doctors, unions and medical students threatened to strike.

COURT CLEARS POLICE INQUIRY

The Supreme Court of Canada cleared the way for a third police inquiry into the 1984 shooting death of nurse leader John Joseph Harper. Earlier hearings cleared police Const. Robert Cross, who shot Harper during a struggle, of wrongdoing, and Cross had asked the court to quash a further inquiry. The court ruled against Manitoba's Law Enforcement Review Agency say now awaiting complaints by Harper's brother that Cross used unnecessary violence and failed to exercise discretion in the use of a firearm.

A CLASH OVER VIKES

Opposition MPs attacked Immigration Minister Bernard Valovot for saying as a Toronto Star interview that civil servants had conspired last to "let" by giving him briefing notes stating that legal ambassador Michael J. Martin received an unprecedented treatment for his expelled entry into Canada. In the Commons, Valovot said that "let" was too severe, and that he should have used the word "assisted."

THE FIGHT TO FIND A JOB

MANY OF THE POSITIONS LOST IN THE RECESSION MAY BE GONE PERMANENTLY

Correct. Wilson Perre, head of the Salvo-ine Army in Baiter, Ont., speaks of the dull words of unemployment blowing across the land. The number of people taking lunch at the soup kitchen that his church runs has doubled in the past year. Teenagers as young as 16 have confided in Perre that they have been told to find work or leave home because one or both of their parents have lost their jobs. The 39-year-old minister has also had funeral services for those people who committed suicide in the past two months—death, that Perre says may be partially blamed on the recession, and the accompanying mood of despair. Sal Perre: "I was in Ontario during the last recession, too, but sometimes it seems more scary this time. I think there is more emotional and psychological pain being felt by the people in pain. Some have just lost hope."

Each month, economic statisticians tally the economy's output and reduce unemployment to percentages. But they do not measure the human cost of a shrinking economy. "Unemployment is

not just numbers," said Michael McCracken, president of the Ottawa-based economic-forecasting agency Informationica. "It shows up in the real world in suicides, abuse, divorce, marriage failures, strip-tease, loss of self-confidence and a general breakdown of social structures." So far during the recession, which began in April, 1990, the economy's total output had dropped by 3.3 per cent by March, the last month for which figures are available. Underlying that decline is a staggering loss of jobs. Statistics Canada reported 741,000 Canadians unemployed and actively looking for work in May—over one in 10 of the nation's labor force, and some 400,000 more than a year earlier. Economists estimate that thousands more who have lost their jobs have abandoned the search for work. More cynics, some cynics say, that many of the jobs lost during this recession will not return when the economy recovers.

It is the second time in 10 years that the country has endured such economic pain. Although the current recession is expected to be more acute than the shorter and less severe than the 1981-1982 downturn, which ran for 18 months and saw total output decline by 5.3 per cent, it already at least the second-worst economic episode in Canada since the Great Depression of the 1930s.

The human cost has been devastating. Deprived benefits have led to suicides, but it is also true that the unemployed are failing and they are no longer more than pennies. And working men and women have lost the jobs that are the source of their income, self-respect—and dignity. Said Richard Mailhot, 36, of Greater Ont., who has been looking vainly for work since losing his job last August: "It's a pride thing—you start to think that since you aren't working, you're nobody."

Mailhot's \$55,000-a-year job as an office administrator for the CTV-Sprint network first disappeared when the company moved to the Detroit area last year. For his former employer Richard Bell, president and chief executive officer of Canada's largest Group of Belleville, Ont., lawyer off Mailhot and 124 others at Sprint was generally paid because he and his two partners had helped to found the Windsor subsidiary in 1986. But, said Bell, "the only way that we could see to become cost-competitive was to move the business to the United States." Included in the following pages are more detailed stories of the plight of the people on the front lines of the current economic upheaval—people who have lost their jobs, and those who have faced the wrenching decision to lay them off.

Most economists agree that this recession has resulted from the same underlying causes as that of the early 1980s: the Bank of Canada's decision to raise interest rates in the name of combating inflation. In May, 1990, the central bank's last rate, which governs the cost of credit generally, put a temporary price of 14.98 per cent. That was well below the all-time high of 21.26 per cent reached during the last recession, but anything enough to dampen economic growth. Consumers, saddled with debts accumulated during the late 1980s, restricted their spending. Businesses began cutting production and postponing expansion plans. Employees, strapped during—then began losing their jobs.

But while part of the pattern is similar, it hides fundamental differences between the current recession and the downturn of the early 1980s. In contrast to the early 1980s, the most recent Canadian high-rate policy stimulated an increase in the dollar's international exchange rate just as the Free Trade Agreement with the United States was launched. These changes, in turn, made Canadian exports more expensive abroad and imports cheaper. In Canada—developments that don't particularly serve those Canadians who manufacture or export—exports were engaged in a cost-cutting competition. In the United States, the rate has climbed more modestly, by 2.5 percentage points to 80.5 per cent.

Meanwhile, several factors have converged to severely affect manufacturing in a way, analysts note, that may signal permanent changes in the Canadian economy. Among those factors is the Free Trade Agreement, which has gradually removed tariff barriers between

the two countries. One result is the relocation of some Canadian companies south of the border, where the cost of doing business is often lower, mainly because of such factors as lower overhead and taxes. As well, U.S. parent companies are beginning to close subsidiaries in Canada that were originally built to serve a protected Canadian market. Other Canadian losses in the manufacturing sector are due to an international trend, the relocation of some types of low-waged production from industrialized nations to such countries as Mexico, where wages and overhead are substantially

lower. Those gains have been at best wiped out during the current recession, which has been particularly cruel to Canada's manufacturing

sector. One result is the relocation of some Canadian companies south of the border, where the cost of doing business is often lower, mainly because of such factors as lower overhead and taxes. As well, U.S. parent companies are beginning to close subsidiaries in Canada that were originally built to serve a protected Canadian market. Other Canadian losses in the manufacturing sector are due to an international trend, the relocation of some types of low-waged production from industrialized nations to such countries as Mexico, where wages and overhead are substantially

lower. But this time, says experts, said, "many of these jobs are never coming back" because the Ontario economy is undergoing permanent changes. As a result, he claims that the long-term impact of the current episode will be more painful than the aftermath of the 1981-1982 slump.

Others disagree that the loss in the 1990s will be more than in the 1980s. Todd Raitley, senior economist with the Canadian Manufacturers Association in Toronto, for one, said that since April, at the worst point during this recession, 270,000 Canadian manufacturing jobs had vanished. By comparison, he said, 1981-1982 was far more devastating, resulting in the disappearance of 430,000 such jobs. Raitley argues that post-recession employment growth in the 1980s resulted in large part from the creation of new jobs rather than from the rapid restoration of pre-recession jobs—and he predicts that the same pattern will follow the current downturn. "It took seven years to recover all of the job losses of the last one," said Raitley. "If any of us industries a lot of jobs permanently lost then, too." Because the current recession has been less damaging, Raitley added, its effects may not be as severe as those of the last one.

Such assessments after a brief comfort, to those coping with unemployment. While the downturn in manufacturing has crippled the blue-collar sector, increasing numbers of middle- and upper-income workers have appeared on the unemployment rolls—area in welfare offices. Said Victoria Smith, an area manager with Metropolitan Toronto's department of social services: "There was kind of a line between these people who applied for aid and the rest of the population. But that line is getting blurred. Sometimes when social workers go out to a home, they meet people accustomed to a better lifestyle than they are."

Even highly paid executives have felt the recession's sting. Anne Farnell, a partner at Toronto-based executive recruitment firm Caldwell Partners International, says that the company has been flooded with an average of 400 telephone calls, letters and faxes a day from people looking for senior management jobs. Farnell says: "The number of middle managers and professionals who have been displaced in some way is staggering."

Recent indicators, though, suggest that the worst of the recession may have passed. The unemployment rate peaked in March at nearly 10.5 per cent. By April, it had declined slightly to 10.2 per cent. And although it edged up to 10.3 per cent in May, the increase was largely seasonal, resulting mainly from an influx of students entering the labor force. Economists have also taken heart from the creation of 144,000 new jobs in 144,000 half of 1990 in the manufacturing sector. Such developments may signal that the economy is gathering itself for a recovery. But in a climate of uncertainty, they are halting steps—and cold comfort to many of those whose incomes remain below the impoverished wall of statistics.



Job seekers at Canada Employment Centre, Toronto: a staggering body count

boarded. Since the return of 1989, the unemployment rate in Ontario—just past Greater Canada's manufacturing industry, has risen half the percentage points to 9.9 per cent. At the same time, Quebec's unemployment rate increased 3.5 percentage points to 12.5 per cent. By contrast, in British Columbia, whose economy is based largely in services, the rate has climbed more modestly, by 2.5 percentage points to 8.5 per cent.

Meanwhile, several factors have converged to severely affect manufacturing in a way, analysts note, that may signal permanent changes in the Canadian economy. Among those factors is the Free Trade Agreement, which has gradually removed tariff barriers between

lower. Such changes clearly have implications for the whole country—just past Greater Canada. Said Tim O'Brien, president of the Atlantic Provinces Economic Council: "If this is a permanent downward trend, it's a disaster for the Ontario economy, it will hit us because we sell a lot of our output to Central Canada."

The Ontario Federation of Labor has sounded the alarm, warning of a coming loss of 250,000 Ontario jobs—many of them in manufacturing—by a claim that even former Sal Kenneth Sigmund, 50, executive vice-president: "The difference between the two recessions is that last time, even though there was some downward, the majority of people were able to look forward to going back to their old

Perre: "emotional pain"



STICKHANDLING IN HARD TIMES

A TEAM PLAYER BATTLES THE BLUES

At 44 years of age, he has retained an athlete's solid build and words a strong baseballer. Hockey reminds him Wayne Decker's passion—man, it was his dream. It consumed him through a four-year hockey scholarship at Boston University and, in 1970-1971, a season playing with the Eastern Hockey League's Jacksonville, Fla., Rockets. A year spent riding the buses as the citizens' champion Decker is slender but major-league dream. Disturbed by a business degree, he turned to other pursuits. The name of Kitchener, Ont., moved to Halifax, where the years brought a happy marriage, a career in management and other dreams of professional and financial security. Now, those dreams have turned a little sour. For over a year—and for the second time in his life—Decker has been unemployed, while the daily battle to keep his spirits from flagging takes its

take. "I know that Wayne Decker can still do a good job for someone," he said. "But I am disappointed that I have not been able to find a job in this length of time."

Decker's career began on the afternoon of March 15, 1950, when his boss, Robert McDonald, a Halifax dealer and owner of other businesses that Decker administered, asked him to step into his office. During a short chat about business matters, Decker sensed that the usually gregarious car salesman seemed nervous. Then, McDonald turned to him and said, "You got some bad news. I've got to lay you off." Although other members of McDonald's staff had lost their jobs over the preceding six months, Decker thought that his boss was joking. He was not. With a recession looming, McDonald explained, he had to cut costs to remain profitable. He told Decker to complete some projects, a task that took six weeks. On

Decker, after a year of searching and 69 applications, bouts of depression

April 30, Decker's \$32,800-a-year job ended. Initially, Decker thought that his high profile as McDonald's executive assistant would quickly open other doors. "I had been at the forefront of a lot of Bob's operations," he recalled in an interview. "I thought surely to God I would be able to get something through someone I met." Decker had sent out 60 job applications—finding only two, unsuccessful interviews. "Over half of the phone calls were get back in touch with me," he said. "It is a numbers game. You have people who are over-qualified applying for any job they can land."

The transition to the unemployment line has been particularly difficult for a man accustomed to finding work easily. After his brief hockey career, Decker landed a branch administrator's job with Dominion Life Insurance Co. in Whiteville, Ont. In 1952, he was transferred to Halifax. He left Dominion in 1974 but stayed in Halifax, holding management positions over the next 11 years as a construction equipment firm, a fishing supply company and an aviation and high-technology company.

Now: Those years also brought a fulfilling personality. In 1955, Decker married his wife, Denise, an office clerk who had a three-year-old son, Marc, from a previous marriage. Four years later, the couple's daughter, Alison, was born. Meanwhile, the Decker's had a comfortable three-bedroom home at Dunoon's house town, Westville, 15 km west of Halifax. It became a haven from the workplace world—

and a place to heal wounds when, in 1984, Decker was laid off from his salaried general manager's job at the aviation firm. "I had no idea even how to apply for unemployment," he recalled. "You think that someone is going to telephone you out of the blue and offer you a job. That just doesn't happen."

Denise continued to work for Maritime Medical Insurance—which administered the provincial health insurance program. And fortunately, Decker had continued to play recreational hockey. That love for his sport led him to McDonald, also a Westville resident. McDonald coached the Westville Goldiggers, the suburban-league hockey team that Decker joined in 1975. Locker-room camaraderie evolved into a professional relationship when, a year after Decker lost his job at MBI, McDonald asked him to come in and help out at the office. Decker quickly became, in effect, McDonald's right-hand man, running his Ziebart rumpooping franchises and fire-extinguisher manufacturing company, and administering his real estate investments. "I sort of became part of the McDonald family," Decker said. "They used to call me 'McDecker.' That wasn't too hot initially, respected. 'Bob was close to becoming history if he didn't end back,'" Decker said. "I treated me good—and I gave him a good five years."

Today, Decker says that his previous battle with unemployment left him emotionally better prepared to deal with his current status. To fight the inevitable bouts of depression, he works around the house and coaches children's sports. In the winter, he also continued to play hockey in the local off-ice league. "Sleeping a good amount helped get rid of some of the frustration," he said. And although Decker's \$1,300 monthly unemployment insurance payments ended in May, the family has managed to keep its financial head above water. Denise continues to work as an office clerk—a job that Decker says pays at the low end of the \$24,000-to-\$32,000 range. They have always carefully lived within their means, saving money while about paying off their mortgage. Those savings, Decker said, were intended to take what was left of their housing debt. Instead, the funds are being used to supplement the family's household budget. "Thank God we had no other large bills, or we would be in serious trouble," Decker noted.

There have been further sacrifices. While the Deckers try to ensure that the children's needs are met, they themselves have done without such extras as new clothes. Other plans have also been put on hold. "Now that the kids are older, we wanted to take the occasional vacation and start living," Decker said. "This unemployment has gotten in the way—for the moment." For the moment. The words have a ring of defiance—and hope. "I am able to keep my chin and confidence up," Decker said. "Someday or later, something good will come along." And when it does, he will continue to send out job applications—and relieve his tensions on the hockey rink.

KORN DEBOST is in Halifax

'It was them or me'

Halifax businessman Robert McDonald, 64, is one of Atlantic Canada's most successful car salesmen. From a second-floor office in his dealership, located in an industrial area of Halifax, he oversees an operation that clocked up \$95 million in sales in 1989. He was in that gear of plenty, economic uncertainty already loomed on the horizon when General Motors Canada named McDonald and the rest of the country's GM dealers to a meeting in Toronto in August, 1989. There, at a 13-hour marathon meeting, management laid out a grim scenario

for his operations, especially those likely to drain funds from his dealership during a recession. Among the choices, his three Ziebart rumpooping franchises, his fire-extinguisher company and another company that made trailer hitchers and other automotive items—all enterprises that executive assistant Wayne Decker had administered. The layoffs, McDonald says, were the most painful part. Said the 46-year veteran of the car business: "You know that you are creating a hardship for your workers, so you wait as long as you can before laying them off."



McDonald after two years, two-thirds fewer staff

to "They said that we were headed for a recession," McDonald recalled in a recent interview. Drawing on a thick, well-worn cigar, McDonald added: "They wanted us that we had better be prepared to tighten up—it was going to be a rough period." McDonald, who'd already been worrying about wondering the looming economic gloom, returned to Halifax and took stock of his assets. At all costs, he decided, he had to protect his "mother house"—his firm's car dealership—which would probably be hit hard. He resolved to sell or close many of

was wife-coaching. McDonald will not say how many people were laid off. But he will confirm that the layoffs, natural attrition and sale of some enterprises left him with a drastically reduced staff. In 1989, McDonald employed 300 people, 130 at his car dealership. Today, only 100 employees remain on his payroll.

Business in 1989 bore out GM's dire predictions. McDonald's car sales dropped 22 per cent to \$72 million—and have been even harder hit so far this year. That's why, McDonald says, made his staff cuts unavoidable. "It was either them or me," the general-veteran dealer explained. "You have to tip people off to stay as minimum—you have to do it first—the other people working for you."

But the decision carried an emotional price—cost in the eyes of Decker. "Even before he worked here, I knew him well because he was a mentor of my hockey team," said McDonald, who stopped coaching five years ago. The two men live in the same neighborhood—and relations are clearly strained. "I have difficulty looking him in the eye," McDonald acknowledged. To further hurt McDonald, a number of Decker remain at the car dealer's office. Standing as a shield is a trophy at appreciation presented to McDonald in 1989 by the Westville Goldiggers. Among the signatures engraved on the trophy is that of team captain Wayne Decker—a painful memento of happier days.

A B

DEATH OF A TRADITION

'IT WAS LIKE LOSING A FAMILY MEMBER'

Many of her realizations are pleasant. From her first day as a junior clerk at Coy Bros. Ltd. in October, 1978, Ellen Sojka says that she loved her job. The 141-year-old department store, a family-owned institution in downtown St. Catharines, Ont., had "charm," the 38-year-old Sojka recalled. "I liked the atmosphere, the customers. You wanted to work hard—you gave it 110 per cent!" Over the next 12½ years, Sojka did work hard, first at the downtown outlet and later as store manager of Coy Bros.' newly opened branch at the suburban Pin Centre mall. "I loved my life," she said simply. But over February, after moments here, Sojka said, Sojka said, "Everybody was silent and then started to cry. It was devastating. It was like losing a close family member."

It also seemed as well to a chapter of Sojka's life. A native of Buffalo, N.Y., she moved to Canada in 1977 to live with her husband-to-be, Thomas, a Canadian officer and licensed mechanic. The couple was married in September, 1978. One month later, Sojka, then 25 and a landed immigrant, started at Coy Bros. It was the only employment she had during her 14 years in Canada—and it and her husband's involvement. "For the first time in my adult life, I didn't get to make any choice," Sojka said. "I didn't get to say, 'I quit,' and they didn't say, 'You're fired because you didn't do a good job.' I just got told, 'This is how it is.' That was the hardest part to deal with."

Trading: But Sojka acknowledges that Frank Coy had little choice. In her \$23,000-a-year job as manager of the Pin Centre outlet, she observed firsthand the family business's decline. Throughout the 1980s, as the downtown location decreased in shoppers, attention to outlying malls—a phenomenon repeated across Canada. The Pin Centre outlet, opened in 1985 to redress that imbalance, instead did well. Then the economy hit—coupled with a new and troubling trend.

Increasingly, Canadian consumers turned their backs on local retailers and did their shopping in the United States. In St. Catharines, only 20 km from the Niagara River boundary, cross-border shopping created a heavy toll. In her store, Sojka said, people

would come in, openly compare prices to those in the United States—and leave without making any purchases. The end of Coy Bros., when it came, was no surprise. Sojka says: "It was like a bag, drove-out home!—until we finally heard it."

Only weeks after Coy Bros. closed its doors, she almost accepted employment at a home store outlet in Niagara-on-the-Lake, 35 km

southwest of St. Catharines. But for Sojka, the mother of a nine-year-old son, Matthew, and daughter, Sarah, 7, the conditions seemed too narrow: some evenings and weekends on top of regular five-day weeks. She declined because of concerns that the hours would be too hard on members of her family. "I was so scared," she said. "Coy had just closed and I thought I should take this job because maybe



Sojka's life as work turns up in Canada, the family may move to the United States

there's not going to be anything else out there."

That moment proved to be close to the mark. Since Coy Bros. closed its doors, she says, she has successfully applied for at least 10 jobs. As well, she and Frank Coy's wife, Gail, tried to open a home store store of their own in St. Catharines. But the financing fell through and they abandoned the plan. Sojka says that she remains hopeful. "I'm trying to be optimistic," she said. "It's a good worker and I have a lot to offer."

So far, the family's financial situation has not been drastically damaged. Sojka's husband, Thomas, continues to work at his father's gas station in nearby Thorold. Sojka receives 1990 unemployment insurance every two weeks. But without that money, Sojka says, "Our lifestyle would be cut back drastically." Essential payments, including the mortgage on the family's home, would not present a serious problem, she added—but spending on things that the family once took for granted, such as vacations and clothing, have been curtailed or cut outright. "Without that unemployment check," she said, "everything would be a lot."

Dislocation: But the unemployment benefits will not meet Mary. As well, Sojka says that the cross-border shopping phenomenon is having an impact on her father-in-law's gas station as well. That has also increased her sense of dislocation. "We've gone through hard times before and I thought, 'I'm all right. I've got a job and my husband's got a good business,'" she said. "We never expected that the gas was going to be so cheap over the river and that people were going to start taking their cars there for repairs. All of a sudden, the things that I believed in just changed."

Those changes, she said, have made her story—news towards borders who have taken their business across the border. Her anger is tempered with bitterness. "My husband and I had a very strong belief if you made your money here, you were able to have a job and a home here, you had to spend your money at home," Sojka said. "I think my principles, which I still believe in, are right—and it didn't do me any good, did it?"

Ironically, she said that the family has discovered the possibility of finding its roots and moving in the United States. Although close to a landed immigrant, Sojka has not applied to become a Canadian citizen. Instead, she has retained her U.S. citizenship—a status that has allowed her children to acquire citizenship. It would also, she added, enable her husband to easily secure a U.S. work permit if the couple decided to move. Sojka noted that a trip to Florida last January convinced her and her husband that the state had a shortage of qualified mechanics. "Down there, Thomas could start a business," Sojka said. "If worst comes to worst, we'll move, we'll start an oil change lot, we'll sell everything and go down." It would be a drastic move—far out that Canada's economic uncertainty may make more and more attractive.

GREG W. TAYLOR in St. Catharines

No light in the tunnel



Coy: U.S. competition helped kill a family business

When Frank Coy, 53, announced the closing of the two Coy Bros. Ltd. department stores last February it signified more than just another business failure. The original Coy Bros., run by his great-great grandfather, had opened in 1850 in a hardware store. Four generations of Coys later—each with another Frank—it was a dangerous conclusion that the latest Frank would pass the family business—by then expanded into a department store that sold everything except clothing and large appliances. But the last Coy to preside over the St. Catharines, Ont., institution could only watch as the family business withered.

"Every month, our expenses were more than our revenues," Coy said in an interview. "There was no light at the end of the tunnel." The idea, said Sojka, Coy says that he caught a glimpse of the writing on the wall in 1982 during the critical pre-Christmas shopping season—crabbingly the high point of the year for retailers. Four years earlier, Coy Bros. had opened a new store in the nearby Pin Centre Mall to attract suburban consumers. But while that store had made a healthy start, the company's expenses—among them a \$125-a-square-foot lease at the mall, compared with 50-cent in the family-owned build-

ing downtown—gave supply. "No matter what it things turned out, it would give us problems," Coy said. And, in fact, Christmas 1989 brought little cheer as economic analysts forecast a recession in the coming year. Nervous consumers tightened their purse strings—and combined December sales at the two Coy stores fell \$100,000 short of the tally from a year earlier.

Determined to hold on, Coy and his staff began to reduce spending—eliminating everything from catered meals to window-dressing services to the last-minute water cooler. "I thought that companies could get lean and mean and get through it," Coy recalled wistfully. "When the recession was over, they would be strong."

At the forefront at Coy Bros.' demise, he wanted, was competition from U.S. retail stores in neighboring New York state—and the threat of lower U.S. prices for merchandise. Canadian consumers, for example, had to pay the exchange rate of the Canadian dollar, which effectively reduced U.S. prices for Canadians, stimulated more cross-border shopping. And the narrowing exchange rate gap meant fewer bargains in Canada for visiting Americans, who kept their dollars at home. Canadian retailers, saddled with higher wages, taxes, transportation costs and import duties, could do little to combat the threat, said Coy. "We just can't give the staff away."

For his part, Coy began making preparations to get out of the family business a year ago, if only temporarily. He began shopping for his real estate home, intending to take himself off the company payroll as a bid to reduce expenses. He completed the sale and qualified as an agent in April. By that time, the company had closed, and his early hopes that any real estate venture would be only temporary had disappeared. Now, he works full time selling houses in the St. Catharines area. "I think I'm doing as long and hard as getting back into retailing," Coy said. Given his recent experiences, that sentiment is easy to understand.

G. W. T.

PAINTED INTO A CORNER

A LACK OF SENIORITY SENT HIM OUT THE DOOR

Until a few months ago, the author in René Bolduc's life was his job. The slim, bearded 36-year-old spent his second working career at Bester Inc., a furniture manufacturer in his native town of Lac-Mégantic in Quebec's Eastern Townships. At 16, still in school, Bolduc first got summer work at the company's plant. At 20, he joined full time. A year later, he was elevated to foreman in the paint shop, a post he held for the next 14 years. It sustained him through marriage, the birth of two children, divorce and the beginning of a relationship with another woman. But it came to an end on a bitterly cold morning last November, when Bester officials told Bolduc that his \$250-a-week job was over. Now, he spends his days crawling and taking care of his tidy house overlooking the long, narrow lake that give his home town its name. "It's pretty frustrating," he remarked as he reclined in his living room, sipping the fluffy raft of a black-and-white cat named Charley. Managing to restrain a faint smile, he added, "I don't much like being a housewife."

Even though it has been over seven months since he lost his job, Bolduc remains both a little annoyed and more than a little bitter about the fate that overtook him last Nov. 5. "As soon as I got to work that morning and was told that the production manager wanted to see me in his office, I could guess what was coming," he recalled. He knew that Bester was in serious trouble. Largely as a result of the recession, the best-run had dropped out of the company's sales. Paced with rising losses and nervous creditors, Bester had been engaged in a major cost-cutting effort since June, 1980. Management salaries had been frozen, executive salaries cut by 20 per cent and casual workers laid off. In a series of cuts accompanied with local union officials, Bester officials had repeatedly warned that the company was in imminent danger of downsizing without further drastic measures—including severe reductions in full-time staff. "It was obvious that a lot of people were going to be put out of work," said Bolduc. "But what you didn't see was me. I never thought I would be one of them. I was a foreman, after all. I had worked for those people for 12 years. I thought that meant something."

In Bolduc's case, it did not. When the tone



Bolduc: 'It took a while to come to the realization that my job may be gone for good'

for still came finally arrived, Bester trimmed its costliest workforce from the bottom on the basis of seniority, according to the terms of its contract with the Quebec Federation of Labor. In the process, 215 of the plant's 487 workers were laid off. Management's newest hires were new hires following a similar, though less rigidly applied, pattern based on seniority. Priority assignments were dispersed, including 14 of the plant's 14 foremen. Bolduc's 15 years—but estate working lifetime—were not enough to save him. All but one of the foremen who remained on the job at Bester had more years of service than Bolduc.

Still, laughing his job, Bolduc has exulted lately at the \$250-a-week that he receives in unemployment insurance. Out of that sum, he has to give \$120-a-week to his ex-wife for support of the couple's two children, a 10-year-old son and an eight-year-old daughter who live in Lac-

Mégantic. "I have to tell you, there is not a lot left over when I get through paying for the kids," he noted glumly, gesturing toward a framed photograph of two bright-eyed children occupying pride of place on a bookshelf in his living room.

Temporary Bolduc's children, who live with their mother a short 10-minute drive from his hometown, have been weighing heavily on his mind in recent weeks, particularly as the prospect of finding employment in his home town has receded. While he was first laid off, he initially harbored some hope that his plight might be temporary. "I thought that Bester might take me on again once things picked up," he said. "It took me a while to come to the realization that my job may be gone for good." Few other employment opportunities exist at Lac-Mégantic, a town of 6,000 people stretched along a bent finger of blue water in

easternmost Quebec, 40 km from the Maine border. Aside from a small tourist trade of visiting Americans, the town exists largely around 30 small and medium-sized wood and textile firms. The town's unemployment rate now stands at 18.4 per cent. Its 10,000 wood-products companies are suffering from the same problems as Bester: reduced sales, stiff U.S. competition and the high Canadian dollar, which has made Canadian goods more expensive. As for the textile industry, demand for its products has been sharply reduced because of the recession. And in any case, Bolduc said, textile jobs at Lac-Mégantic are a traditional and closely guarded preserve of female workers. As Bolduc pointed out, "Even at the best of times, there just aren't many places for guys around this place."

Wistfully: As his hopes for regaining a job with Bester or finding other work at Lac-Mégantic have faded, Bolduc says that he has tried with the idea of going into business for himself. The experience that he gained during the 15 years supervising Bester's paint shop, he noted, could allow him to operate an unseasoned custom painting for contractors, furniture makers and the like. "I know everything there is to know about paint—so it might work," he said with a brief face of optimism. It quickly dimmed, however, when he pondered the difficulty involved in finding the capital with which to start the business. "I guess it might be a little hard to borrow the money I would need," he concluded.

The one prospect that Bolduc is determined to avoid is being forced to leave the town where he was born and where his children live. For the moment, he has no plans to move. His financial situation is tight, but he has been put on hold, while he waits to see if he can get a job. Although the house that he shares with his companion, Imèle Lemieux, is almost paid off, payments still have to be met. Still, Bolduc claims, at least Lac-Mégantic has retained its work—at least at Bester, where she is employed in a repair shop.

But René Bolduc is bleakly aware that both money and time are running out. His unemployment insurance benefits will expire in another six months. After that, the former foreman acknowledges, he will face some hard choices. In the meantime, he braces himself as best he can, trading the nest bungalow overlooking the lake and looking after the black-and-white cat called Charley.

Painful restructuring

Last year, in only six months, Bester Inc. was transformed from a bright young star of Quebec's business firmament to a falling comet plunging towards extinction. In 1980, the manufacturer of pressed wood, ready-to-assemble furniture covered three successive 18-month periods of radiating growth with the best performance in its 42-year history. Sales over that year had climbed to \$40 million from \$30 million, including a phenomenal 200-per-cent increase in exports to the crucial U.S. market. To handle the orders, the company expanded the staff at its company's main plant, tucked away in rural Lac-Mégantic within sight of Maine's forested hills, to 487 employees from 215. But in 1980, sales plummeted and the company lost almost \$3.2 million. In deficit of \$3.5 million in working capital, Bester turned on the edge of disaster. Recalled Lac-Mégantic, Bester's executive vice-president, in an interview: "We were very close to going out."

Three factors played a role in the turn-around in Bester's affairs. "We were hit by a lethal combination of the recession, the strong Canadian dollar and the lifting of custom duties on American exports under the Free Trade Agreement," said Gervais, 36, a Lac-Mégantic native who earned a master's degree in business administration at Toronto's York University. The recession slashed the market for furniture in both Canada and the United States. The rising exchange rate of the Canadian dollar, which followed the attraction of the FTA in 1980, raised Canada's exports more expensive in

the United States and U.S.-made products cheaper in Canada. Bester's 1980 sales fell by \$8.4 million, a drop that was almost equally divided between the two countries. As well, the lifting of import duties on U.S. furniture—cut under the FTA in 1980 to three per cent from 14 per cent—encouraged a 300-per-cent rise in American exports to the Quebec market. "It was a real arson," Gervais said. "Twenty of at least four Canadian factories, all of them direct competitors of ours, who have gone out of business in the past 12 months."

Bester managed to narrowly avoid a similar fate—but only as a result of a painful restructuring. The company, which is publicly held, refinanced outstanding loans held by the Montreal Bank. Then, it negotiated an infusion of new funds from federal and provincial government agencies, as well as the Quebec Federation of Labor's Solidarity Fund, a union-funded pool of money often used to save jobs by coming to the aid of beleaguered Quebec companies. The costs were high, involving a comprehensive reorganization program that included layoffs.

René Bolduc was one of the cuts. According to Lac-Mégantic, trimming the staff was the hardest task of all. "In a small place like this, everybody tends to know everybody else," he said. "I know that, and of course I did not want to see him lost his job. But our situation had reached the point where we really had to do it. Either we cut our staff or we went out of business."

B.C.



Quebec: a triple whammy from the recession, exchange rates and competition

BARREY CAMEL is Lac-Mégantic

TWO MUCH TIME IN THE GARDEN

I WORRY ABOUT LOSING THE HOUSE

The vegetable garden, set off from the backyard patio and lawn by a low stone wall, is immaculate. Wooden planks on the ground, each carefully aligned between the closely spaced plots of beans, hot herbs, broccoli, zucchini and lettuce. Trains of square plastic sheathing form makeshift bedframes for the English and Italian cucumbers. Barely wooden stakes anchor the tomato plants poking through green plastic sheets that protect their large-leaved. The spring in Coquitlam, B.C., 28 km east of Vancouver, has been set even by the area's rainforest standards. But there are no weeds in Michele (Miki) Ruggiero's garden. Looking at the neat plots and huge yard with its plum, cherry and pear trees, the 47-year-old Ruggiero, with some pride and much sadness, "I have had more time for the garden, this spring—more time than I ever had."

Ruggiero has had nothing but time since Feb. 13, when the doors of the Delta Plywood Plant closed behind him for the last time. The native of Bari, Italy—"It's on the level of the beach," he notes—started working in 1966 at the plant, just 17 km southwest of his home. At first, he was a "freelance" responsible for loading a lorry with the thin sheets of wood that, once dried, are laminated together to make plywood. Over the next 25 years, Ruggiero spent time at virtually every job at the plant. His last, paying about \$884 a week, was driving a forklift truck, loading the plywood sheets onto trucks and railcars for what once seemed to him to be an insatiable market.

But the recession of 1981-1982 crippled British Columbia's forest products industry—and dealt the plant a blow from which it never recovered. By mid-1996, with the Delta facility

losing money, half of Ruggiero's 258 co-workers had been laid off. And in September, 1996, the remainder were told by their employers, New Zealand-owned Fletcher Challenge Canada Ltd., that a buyer could not be found; the plant would close this spring. That buyer did not materialize. Layoffs began again in February, and as the last day of April, the plant officially closed—closing the last of seven or eight

years in Coquitlam. His October 1980 daughter, Lisa, 19, attends community college. Salvo, who has not worked since December, was born, as she looks for a job. "My family is trying to keep my muscle up," said Ruggiero, whose dark, curly hair and unlined face give no hint of his age. "I don't feel like I am going to fall apart, but I am upright. My family is jeopardized now. I don't know what to do every day. I don't know what to say. All I know how to do is make plywood."

Isaac: Work has defined Ruggiero's life from the time he and his beloved mother, three younger sisters and a younger brother arrived in British Columbia. "We made our way across Canada and got to New Westminster on July 1, 1961," he recalled. They stayed with his mother's brother for a month, then found their own apartment. In September of that year, the 17-year-old Michele—who eventually anglicized her name to Mike after being teased that he had a girl's name—got a job at a furniture factory. "I was the oldest," he said, "so I had to provide for the family. A friend of my uncle got him a job at the factory so I could



Ruggiero: after 25 years in a forest-products mill, 'all I know how to do is make plywood'

B.C. plywood mills shut down since 1979

After his last day of work, Ruggiero—feeling "stunned and depressed"—returned to the whole-of-zero and not-the-voided house he had said his wife, Salvo, 44, tried so desperately

Every day since, he has answered the newspaper want ads, called his union office and filed out job application forms. Daughter Mercedes, 22, is doing the same. A high school graduate, she quit her salesclerk job at the Bay department

store. I had no English. I was lost. I was tough." Two months later, working on a table saw at the factory, Ruggiero cut off two fingers on his right hand of his second marriage. Ten months later, he was laid off. "I was never told the reason," he said.

Through a family friend, Ruggiero landed a job at a local furniture factory. Two years later, the company went out of business. In 1966, again on the recommendation of a family friend, he

was hired at the plywood plant, a job that finally brought some amount of stability. Twenty-five years later, that too has disappeared. Sitting at a table in his sparkling-clean kitchen, Ruggiero's eyes widened occasionally as he spoke quietly of the past—and the uncertain future. "We were living right with my job," he said. "I was making \$15 an hour, I wasn't complaining, we were comfortable. It is very saddest. You feel that you have your life all wrapped up, you are looking to the future and the pension. Now, I worry about losing the house."

After being laid off, Ruggiero collected unemployment insurance payments for three months. Then, in May, those payments ended when he received \$27,000 in severance pay from Fletcher—two weeks' salary for each year's service. The family's monthly mortgage payment is \$260. The car payment is \$300. There are the taxes, heat and hydro bills to pay, books to buy for the family. With the fixed expenses, Ruggiero calculates that if he cannot find a job, the severance money can be stretched another eight or nine months. "The insurance, to me, is like something you do in a day," he exclaimed bitterly. "You get hit on the head and he's huge. It is not that I put all my youth in that plant. Was I going to lose me too?"

Isaac: Auckland-based Fletcher Challenge, a multinational company with subsidiaries in 14 countries, took over the Delta plant in 1984 as part of a majority share purchase of the factory's previous owner, British Columbia Forest Products. At the time, Ruggiero recalled, he and his co-workers were shown a Fletcher video that catalogued the virtues of the company and explained that no layoffs were planned as part of the takeover. Three years later, the plant closed—leaving Ruggiero with undisputed hostility towards the multinational giant. "I am so frustrated and too angry to think about Fletcher Challenge," he said. "Foreign companies should be accountable to the government. They come in and promise the world to people like me and then put us out on the street. As far as I am concerned, Fletcher Challenge destroyed my life."

Struggling vainly to remain optimistic, Ruggiero says that his job search—work all of his life—remains and demands for experience in an industrial facility—has been stressful. But, he adds, the thought of having to go on welfare is loathsome. "For me," he said, "that would be a disaster. At my age, you feel like you have come in a hole and are trying to jump with the other one. But you can't make it, because there is nothing there to jump to."

For now, there is the severance money in the bank, shrinking by about \$2,000 each month. There are the daily phone calls to friends, former co-workers and his union local to see if anyone has heard anything about employment opportunities. There are the vast ads. And there is the garden. Looking out the kitchen window at the wilded plot, Ruggiero said, "I usually put in about a dozen tomato plants. This spring, I put in 40. We may need them." And then it started to rain.



Gels: by the time the Delta plant closed, it was losing \$300,000 a month

The price of losing

Photographs of his children smile back at Desmond Gels from their bookshelf perch in his eighth-floor Vancouver office. The 38-year-old group vice-president of the Coast Wood Products division of New Zealand-owned forestry giant Fletcher Challenge Canada Ltd. speaks with driving affection of his five-year-old wife, Wanda, 38, daughter, Erin, 24, and 12-year-old son, Michael. With equal affection, Gels discusses his trials and tribulations in British Columbia's demanding pulp industry. But when the subject turns to Fletcher's Delta Plywood Plant, Gels's smile disappears and he traces out the window, past the photographs to Barrett Street and the brooding mountains beyond. "It's a son of a bitch for these guys," he says quietly. "I don't know what to do. A lot of eleven-year-olds out of high school. All they know is the plywood business. For these to start over is an unbelievable proposition."

That proposition began in April, 1996, when Gels and his management team set down to assess the future of the Delta plant, 38 km east of Vancouver on America's west coast. The Fraser River. Two years earlier, Fletcher had acquired the troubled facility when it purchased a majority share in the plant's former owner, British Columbia Forest Products Ltd. In 1990, Fletcher, the second-largest forestry company in British Columbia, had tried to breathe new life into the money-losing operation, spending \$3 million on upgrading. But the losses continued to mount—in spite of the fact that half of the plant's full complement of 258 workers were laid off in 1990. Employees' Gels: "From 1982 to 1996, the plant lost \$12 million. When we closed it, it was losing \$300,000 a month."

Gels says that his team looked at the plant's long-term prospects—and saw no hope. The rise in the exchange value of the Canadian dollar, from a level of under 70 cents (U.S.) in 1985 to almost 87 cents last February, had left Canadian plywood manufacturers with a more expensive product on export markets—unhelped by increased competition from U.S. companies, which enjoyed substantially lower wage costs. There came the recession—eroding the market and making cheaper U.S. plywood even more attractive. Fletcher tried to find a buyer for the plant—to no avail. "The business was unsustainable," Gels said. "The unfortunate part of that reality is that people's lives are significantly impacted."

Gels's decision has had an impact on his own life. He says that he has received dozens of telephone calls from white-collar Delta workers—and from spouses of former employees—once Fletcher accepted his recommendation to close the plant. They called on everything you can imagine," Gels said. "It is not difficult to sympathize. Losing from a lunch-bucket family and I remember what when my father was laid off in the 1950s. It is so stressful." Fletcher tried to soften the blow, spending \$185,000 on counseling and job search assistance for its former employees. It also paid plant workers \$3.8 million in early retirement packages and severance pay. But, said Gels, "Regardless of what we do, it's not going to be good enough. It's a terribly frustrating situation." Grieving over at the stages of his children's innocent smiles, Gels does not smile back.

Assembly of June 10 - 1991



Merrett (centre) with Eneabai (left) and Fontaine graciously—and toughly—

A soft-spoken chief

The first nations choose a new leader

The frenetic campaigning in the corridors of the Winnipeg Convention Centre last week resulted in the new premier of native nations in Canada. Through four separate votes, 14-day campaigns, more than 10,000 votes, nearly 500 Indian chiefs from across Canada struggled with the question of which of six high-profile candidates should become the next national chief of the Assembly of First Nations (AFN). On the first two ballots, the campaign's acknowledged front-runner, Philip Barrow, grand chief of the Assembly of Manitoba Chiefs, held a comfortable lead. Then, in an action caused largely by resentment at the disclosure of Barrow's campaign—disputed as "too white for me" by leadership rival Bill Wilson of British Columbia—one of the four leadership candidates, including Wilson, threw their support behind Ovide Mercredi, a Cree lawyer and Manitoba regional chief of the AFN. As a result, Mercredi catapulted into the lead on the third ballot and finally, on the fourth, secured the 60 per cent of the vote needed to win. At 2 a.m. on June 12, Mercredi was officially sworn in as head of Canada's 600,000 status Indians with a sacred seven-grass ceremony performed by native elders.

In his early morning acceptance speech, Mercredi, 45, acknowledged that he will pursue a tough line in demanding that Ottawa deal

fairly and justly with long-standing native grievances. Those include land claims and demands for constitutional recognition of the right to self-government. Declared Mercredi: "When you deal with the Canadian government, you have to be hard." But in more conciliatory tones, Mercredi added that he would always approach non-native Canadians "in the way in which our ancestors approached them—with generosity."

That combination of toughness and compassion, said some analysts, best explains Mercredi's transformation last week from underdog candidate into leader of Canada's largest native organization. "He has a balance between traditional values and political savvy," said Edith Wiande, Labour Minister for the western Arctic and a Cree from Yellowknife, N.W.T. Added Marlene Brunt-Crowlino, a Mohawk Indian and chairman of the native studies department at Trent University in Peterborough, Ont.: "He is seen as someone who can be assertive without embarrassing them by being too extreme."

The chiefs are looking to Mercredi to capitalize on the national attention aroused by last year's native protests over the Meech Lake accord and the 76-day armed confrontation between Mohawks and authorities near Oka, Que. Indeed, both Mercredi and Fontaine were key advocates to NDP MLA Ellyn Harper during

her successful bid to derail the Meech accord on the floor of the Manitoba legislature. An advocate of the AFN's high-profile profile, Mercredi's first task last week was to meet with former Supreme Court of Canada chief justice Brian Dickson, who was appointed last month by Prime Minister Brian Mulroney to help set up a federal royal commission on aboriginal concerns. Then, on Friday, Mercredi received a call from Constitutional Affairs Minister Joe Clark asking to meet with national native leaders within the next two weeks to discuss their role and concerns in the current national unity debate.

Shortly after taking that call, Mercredi told Mulroney's that he wanted a clear opportunity to make progress on the native agenda. "Clark indicated the urgency of including aboriginal peoples on these issues," said the soft-spoken Mercredi. "This is the start of a new era. We all understand the problems, so it's time to work on solutions."

The man who will now speak for Canada's status Indians says that he maintains a strong sense of his native roots. Born in the traditional Cree community of Grand Rapids, 480 km north of Winnipeg, and raised along trap lines and in fishing camps, Mercredi dropped out of school at age 16 to work as a labourer for Manitoba Hydro. He later returned to school, graduating with a law degree in 1977 from the University of Manitoba. After briefly practicing law in London, Mercredi served as constitutional adviser to the Manitoba Assembly of Chiefs in the mid-1980s. He was elected to the executive of the AFN in 1989. Married to Shirley Dabuy, a non-native lawyer, he has a six-year-old daughter, Denzil.

Mercredi made it plain last week that his leadership will follow the course of reconciliation—but will not shy away from confrontation. While Mercredi says that he would never sanction violent confrontations like the stand-off at Oka, he maintains that such acts are of great importance as roadblocks and demonstrations are legitimate political weapons. All the AFN's course of action over the next few months, Mercredi says that "we're going to borrow some lessons from Martin Luther King and some strategies from Mahatma Gandhi."

The use of force, he added, is that "no gun will be allowed—if there is going to be any violence, we will negotiate it, we will be the victims of it." The same leaders who elected him their national chief last week clearly hope that Mercredi's quiet determination will prevent the situation from coming to that.

DEANE BRADY with
DEAN HENNINGMAN in Toronto



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A Canadian of value

Senator David Croll fought for the poor

The captain of industry from Montreal and the Bessie-Norm social activist from Windsor, Ont., came from diametrically different worlds. Harbort de Montreuil-Molais, the Anglican son of the brewery and banking families, and David Croll, the lawyer son of Jewish immigrants, might never have cared had they not been thrown into each other's company when they were among 13 citizens appointed to the Senate by Prime Minister Louis St. Laurent on July 26, 1955. But Croll, who died in Ottawa last week at 91, quickly won Molais's affection and respect. Said the 48-year-old independent senator from Montreal, now the last of those 13 still sitting in the upper chamber and its longest-serving member: "We arrived there with nothing in common at all, but I grew to like and respect him very much." Added Molais: "He was completely dedicated to those who are less privileged and he did an enormous amount of good. He was a reliable citizen."

Similar tributes were offered freely last week by both political sides and media—and by representatives of working people, the poor and disadvantaged for whom Croll battled during more than 40 years in public life. Croll, who came to Canada when his parents emigrated from Moscow in 1895, and who served successfully as Canada's first Jewish mayor, Ontario cabinet minister and senator, played a part in shaping most of the social advances that were to mark Canadian life in the century. His achievements were seen in part, according to fellow Liberal senator and former New Brunswick premier Louis Robichaud, through "compassion, intelligence and sound judgment." But Croll's oligarch was also legendary. Said Robichaud: "He was a workaholic." He died, on June 13, the day he died, Croll was in his office at 6:30 a.m. and he worked until 9:30 p.m. before going out for dinner with a former employee. Croll died of heart failure in the Chateau Laurier Hotel, a block from Parliament, clearly after being dropped off by his former secretary-maid, Nellie Forsick, at about 8 p.m.

First elected to public office as the mayor of Windsor in 1920, Croll soon had to deal with the Great Depression. He arranged to keep people afloat on municipal funds and, instead, used available funds to feed the hungry. The young mayor also encouraged hunger-marches and put his own family on a rather-

level lifestyle as a mark of solidarity with the poor. Elected to the Ontario legislature in 1924, he served as minister of municipal affairs and public works—until he had a serious disagreement with then-Premier Mitchell Hepburn in 1937. That year, he supported Ontario General Motors workers trying to form a union. Hepburn ended with the company

year, he resumed a career of political militancy on behalf of the underdog when he was elected a federal Liberal MP in the downtown Toronto-Spadina riding, which he held through two more elections until his appointment to the Senate in Ottawa. Croll was active in campaigns that introduced or expanded unemployment insurance, old-age pensions and family allowances, as well as a battle for higher standards of living for Canada's native peoples.

As a senator, he angled his concern for vulnerable groups in society, during the landmark 1971 Senate commission on poverty that recommended a guaranteed annual income. That proposal was ignored by government, but Croll persisted, producing an annual report on poverty updating his findings. Last year's report lamented the fact that one in five Canadians still lived below the poverty line. "Just now," revealed Croll, "I'd like to publish a drop."

From its pursuit of social justice, Croll was also renowned for his hands-on—aid for the nearly 60 World War veterans that were reflected in the great care he took in his dress. But Croll was also remarkable for his family-based political beliefs. Said Liberal Senator Royce Peitch: "He had an extraordinary capacity to read the public mood. He was irascible at election time." Peitch, deputy Liberal leader in the Senate, says, however, that despite Croll's reputation as a firebrand, "he didn't intervene often in caucus, but he would break in at times to say, 'That's it, remember what Liberals stand for.'" Adds Peitch: "On social programs, there was no doubt he was our conscience."

Indeed, he was a man and different politician in other respects, as well. While a lifelong Liberal, the issues he championed were those traditionally espoused by the political left—specifically, the CCF party, founded two years before he entered provincial politics and its successor, the now defunct Social Credit party, and then Paul Macdonald. "He felt he could accomplish more—which, God knows, he did—in the Liberal party." And despite his decades of political life, few have said any less than towards him as an officer's commission, but before he died in 1945 he was in the rank of lieutenant-colonel while serving in Europe. The same



Croll a kindly, courteous and astute politician

Croll resigned his portfolio, explaining in his letter of resignation that "my place is marching with the workers rather than riding with General Motors."

Although he remained a member of the legislature until 1946—and served simultaneously from 1938 to 1941 as Windsor's mayor again—Croll spent much of that time in the Army during the Second World War. He enlisted in 1936, declining to apply for an officer's commission, but before he died in 1945 he was in the rank of lieutenant-colonel while serving in Europe. The same

one knew where they stood with him."

Croll's death follows one after that of fellow Senator Eugene Forsey, the avowed constitutional critic, writer of letters-to-the-editor and former Liberal senator who died in February. Said Macdonald: "With this loss and with Forsey before that, we've lost an awful lot of our soul." Clearly, as with Forsey, Croll's absence will be felt by the wider constituency whose champions and champions he labored so hard and so long to reality.

GLENN ALLEN in Ottawa



Ethnic Albanians in Yugoslavia's Kosovo province: Canadians are not alone in their search for renewed federalism.

SPECIAL REPORT

FEDERALISM IN FLUX

**AROUND THE
WORLD, CENTRAL
GOVERNMENT IS
PITTED AGAINST
REGIONAL NEEDS**

History may well record it as the year that Canadians took the pulse—over and over again—of their troubled federation. Still members of the Citizens' Forum on Canada's Future, headed by Keith Syrett, are now in sessions preparing the official version of their report, which is due to be released by July 1, summarizing the forum's five-month, cross-country survey of attitudes on unity and the Constitution. At roughly the same time, the Beaudette-Béliveau committee, a group of 17 parliamentarians studying problems associated with the current constitutional amending formula, will release its official report based on hearings in Ottawa

and across the country. And all provinces except Newfoundland have created committees or task forces to study the constitutional impasse or examine questions of national unity. As well, several nongovernmental and specialist interest groups such as the Group of 22—a body of eminent Canadians that last week collected significant decentralization powers to the provinces—have also joined the debate triggered by the failure of the Meech Lake constitutional accord last year.

Canadians are not alone in their struggle for a renewed federal system. From the Soviet Union to South Africa, from Western Europe to Australia, federalism is in flux, if not in crisis. In countries around the world, people are search-

ing for an ideal relationship between central governments and regions, provinces or states. As many of the Canadian studies are coming to an end, the federal government has not yet launched what may be its most important initiative. Newly appointed Constitutional Affairs Minister Joe Clark, who last just completed more than six weeks of meetings with provincial leaders, promises another round of cross-country consultations by a blue-ribbon panel beginning in September. And next week—with a special report in a three-day cross-province session involving 12 specially selected, representative Canadians from across the country—Maclean's will contribute to that national discussion (page 36).

governments consistently subordinate to a central authority. In Britain, for instance, the central government can alter the powers of the counties and other levels of local government without any hindrance aside from the opinion of the electorate. By contrast, Indonesia is marked by a strict division of powers between a central federal legislature and regional, state or provincial levels of government versus it. Each level has some degree of autonomy prescribed by a constitution. Some federalist constitutions also allow for specific exclusions of decision-making, such as equal and elected upper-parliamentary chambers, constituent assemblies and referendums. But the balance of federalism, as practiced in the United States—

usually within four days later. Barring a last-minute change of heart, or a military coup to enforce a federal union, that situation threatens to destroy the patchwork of warring localities that have existed, either indirectly, in Yugoslavia.

The federal state of 24 million people leads the culturally divergent republics of Serbia, Croatia, Macedonia, Montenegro, Slovenia and Bosnia-Herzegovina, as well as the autonomous Serbian provinces of Kosovo and Vojvodina. There are three official languages (Serbian-Croatian, Slovene and Macedonian) and more than 20 different ethnic groups. Authority is divided between a central government—as eight-member collective state presidency and two legislative chambers responsible for internal and foreign policy, international treaties and economic and social policy—and the republic's legislatures, with powers in education and other areas. The nation's constitution of 1974 is lofty in its aims. Among other things, it defines the federation's goal as ensuring "the possibility and freedom for the comprehensive development of the human personality and for rapprochement among men, nations and nationalities." But the national constitution also states that each nation within Yugoslavia has the right to self-determination, "including the right to secession." The republics, instead of such other, have often seemed more committed to the latter provision.

In recent months, Yugoslavia's two largest nationalities, the Serbs and Croats, have engaged in a series of highly destructive rounds of violence and bombardments that have resulted in the death of more than 20 people and brought the country to the verge of civil war. When fighting broke out last month, Serbian leaders inside Croatia, Defense Minister Gal-Gen Veljko Radmilovic, a Serb, threatened a cultural military coup. The eight-member presidency kept the army at bay, but tensions escalated rapidly when Serbian authorities blocked the Croatian member of the presidential collective from taking his turn as president. That was the final blow for Croats—last month they declared their intention to secede on June 30.

THE SOVIET UNION

In area the world's largest federation—it makes up one-third of the planet's land surface and spans 11 time zones—the Soviet Union is governed by a complex interrelationship of central and local governments with varying degrees of power. Central power is at the



The Soviet army guards street in Ararat, striking similarities in the causes of tensions.

Seed University of Toronto historian Michael Bliss. "There's really an enormous amount of constitutional debate going on right now in this country."

That debate, however contentious, is relatively free of the distrust and violence that are overshadowing reasonable discourse in several stressed nations, notably Yugoslavia and the Soviet Union, where federalisms are crumbling.

And South Africa, where a new one is being contemplated. Still, there are striking similarities between the causes of tensions in Canada and in those countries, as well as in such well-established federalist entities as Switzerland and Australia. The debate everywhere is about power, and how to share it between a central authority and partially autonomous regions or cultures.

But the debate is not as urgent as in many countries. Indeed, most nations are not federalist but unitary in nature, with local or state

a model for many newer federalist states—and Canada, Australia, Belgium, Spain and a host of other countries, as that last power is concentrated at the centre than it is in unitary states. The precise division of powers has been the source of friction in many federalist countries. Some current examples:

YUGOSLAVIA

Canada's problem grew by comparison with those of the Balkan federations. Born out of the ashes of the Austro-Hungarian Empire at the end of the First World War, Yugoslavia hovers on the brink of disintegration or civil war. Slovenia, a small but economically advanced Yugoslavian republic that lies in the shadow of the Alps, plans to declare its independence next week as the first new, post-Communist country in Eastern Europe. The much larger neighbouring republic of Croatia is getting ready to take

heads of the 4350-member Congress of People's Deputies and the 542-member, two-chamber Supreme Soviet, which is drawn from members of the Congress.

The central government technically controls defense, foreign trade, state security, education, foreign relations and economic planning. But increasing nationalism and ethnic tensions have resulted in a rapid erosion of these powers, and the central government faces challenges that far surpass any currently faced in Canada. Among them:

- Six republics want to exercise their constitutional right to leave the union: the three Baltic states of Latvia, Lithuania and Estonia, as well as Georgia, Armenia and Moldova in the southwest.
- The remaining republics—many of them increasingly assertive—are seeking greater sovereignty.
- Frictions between a dominant group and ethnic minorities has resulted in violence in several republics, notably Moldova, Georgia, Armenia and Azerbaijan.

- There is growing pressure among the largely Moslem republics of Central Asia to form a new economic union.
- Many republics are teaching local languages in their schools and, in the case of Ukraine and the Baltic republics, have proclaimed the local tongue as their sole official language.
- Many republics have withheld their allotted shares of the federal budget while seeking to wrest more power from the central government.
- The republic of Georgia is training its own national army.
- The Russian republic, which already has its own foreign ministry, is poised to open its own embassies abroad.

On a recent trip to Oslo, Norway, President Mikhail Gorbachev acknowledged that the Soviet Union has experienced a period of "years of stagnation and euphoria." But he added that a new understanding may emerge from the growing number of talks and studies in several republics, notably Moldova, Georgia, Armenia and Azerbaijan.

which he and other republic leaders agreed at a late-April meeting at a dacha near Moscow to work towards a new union treaty. That treaty, as yet unsigned, is now, perhaps more apt, seen by the Union of Soviet Socialist Republics—the Union of Soviet Sovereign Republics.

AUSTRALIA

A Commonwealth country with many parallels to Canada, Australia has also developed in some critically different directions. It, too, has a senate but it is elected. Each of the six states has 12 seats and the two territories have two seats each in the 76-member upper chamber. As well, any amendments to the Australian Constitution must be approved by the electorate in a referendum. Those pillars of federalism arose from the 1900 constitution drafted by the leaders of the nation's six states, which were much more powerful and self-sufficient than Canada's provinces were at the time of Confederation. Indeed, the fathers of Australia's constitution appeared to agree on one

that their role to encourage Israeli dialogue, in the Middle East, South Africa, El Salvador, Yugoslavia and other global trouble spots. Maslow's control stems because of their track record and their innovative techniques—red letters, as anti-Canadians, they could be seen by all participants as free of national, political or cultural bias on Canadian matters.

The 13 participants and three mediators spent nearly all of their waking hours together. Their often-impassioned discussions, punctuated by laughter and tears, fluctuating between despair and enthusiasm, culminated in the production of a 16-page, typewritten manifesto of "joint suggestions" for the future of Canada. The document is remarkable for its scope and imagination—and for the fact that it bears the signature of every member of a group of 12 participants intentionally selected for the differences in their points of view.

Throughout the weekend, a team of Maslow's reporters monitored every moment of the working sessions, as well as many of the members' and participants' conversations over meals, in showers and during brief breaks at pools. As well, the weekend's events will be featured in a special edition of the civic-interest newspaper's public-affairs program, *W5*, later on Sunday, June 30.

In size and scope, the project is clearly one of the most significant that the magazine has undertaken in its 36-year history. The full report on the process, along with explanations of the methods used, profiles of all participants, a detailed accounting of the weekend's discussions and analyses of its potential significance for Canada, will appear across more than 40 pages of next week's issue.

THE PEOPLE DECIDE

Since the death of the Black Line constitutional accord a year ago, elected politicians and Canadians of all stripes have plunged into complex and often contentious debates over the country's future. The topics of debate—including Quebec sovereignty, native rights, interprovincial disputes and how to cure Canada's ailing economy—have been almost as varied as the participants. But now the stage is set for a new chapter in the debate. At the weekend forum, it also appears that some Canadians are taking their thinking.

Next week, a special issue of *Maclean's* will present a groundbreaking look at how representative Canadians were chosen to participate—and how, when they have an opportunity to listen to each other in a focused setting, they can agree on solutions. The special report stems from a radical new process combining techniques developed by Toronto-based Decca, Research and World-Viewed conflict-resolution specialists from Harvard University in Cambridge, Mass.

With information drawn from Decca's real computer database of political polling, Maslow assembled a group of 13 Canadians for a weekend forum at the Blue Heron resort on Lake Simcoe, Ont. The participants were selected after analysis of detailed telephone interviews with 1,800 Canadians across the country. Decca's experts used those responses to identify individuals who fit the pattern of the six main clusters of thinking on the constitutional issue, from outright Quebec separatism to committed, status quo federalists. Decca vice-president Catherine Murray



The Debate: a weekend forum on unity

who designed the selection process, says that the 13 participants are truly representative of those major streams of thought. And Murray adds: "There have been too many polls on attitudes to national unity without understanding why people feel the way they do. Our approach tries to get behind positions to identify shared ideas and values."

Maslow's called on another group of experts as mediators to guide the panel's discussions in a productive direction. Three specialists from the Harvard-based conflict-resolution service brought to the forum the techniques



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THE DEBATE EVERYWHERE IS ABOUT POWER, AND HOW TO SHARE IT

thing above all they wanted to keep the central government weak. But that has not in fact happened.

Instead, the Australian central government has divided strong financial and revenue-raising powers that allow it to shape state priorities through a system of grants that are designated for specific programs. Still, Australia's national unity has never been seriously endangered by that strengthened federal role.

Over the years, there have been trends towards separatism or secession in Western Australia and Tasmania. But, says Tony Blackshield, a constitutional expert at Macquarie University in Sydney, "without economic, linguistic and cultural differences such as you have in Canada, that sort of regional discontent can't really gather enough momentum to evolve into separatism."

There are even closer parallels between Canada and Australia on aboriginal issues. The Australian government is now in the process of changing its aboriginal policies—just as the aboriginal population of about 250,000 in a nation of 17 million appears to be developing a new identity. Indeed, last year, one small group of radical Aborigines unilaterally declared a "provisional government" that advocates establishing an aboriginal nation with its own land base, passports and law. The group acknowledges that it has watched development in Canada closely, particularly last year's standoff between the authorities and Mikana Warriors at Oka, Que. Said the group's leader, Michael Mansell: "We have never had to carry the weight of the world's media in this country, but the importance in growing our people's identity would support what the Mikana were doing in Canada."

SOUTH AFRICA

Under a new 1984 constitution, the Republic of South Africa is governed by a parliament composed of three houses: the 15-member House of Assembly (white), the 85-member House of Representatives (Coloured or mixed race), and a third, 45-member House of Delegates (black). But, in practice, whites have maintained control of the national agenda. And

blacks, who number 28 million in a total population of 38 million, do not have the right to vote.

The country is made up of four provinces—Cape Province, Natal, Transvaal and Orange Free State—and 10 black "homelands." But South Africa is not a classic decentralized federal state. Indeed, University of Cape Town political scientist David Welsh says that the nation has undergone "massive concentration

by integrated unitary South Africa as a threat. Others want to return to the boundaries of the old Boer homelands that preceded union in 1910. They insist they must be governed by their 'own people in their own land'."

For their part, government negotiators are increasingly optimistic that they can win black leaders over to a federated system, where groupings like the 17 million-member, mostly Zulu, Inkatha Freedom Party—currently locked in a violent and extremely bloody struggle with Mandela's African National Congress—could retain control of their own areas without threatening the essential integrity of the state.

And political polls have indicated that most moderates, black and white, were prepared to



Aborigines demonstrating in Sydney support for 'what the Mikana were doing in Canada'

of power at the centre" over the years. Now, ordinances passed by local councils and governments are subject to veto by the central government.

But all that may change. With the release of black leader Nelson Mandela from prison last year and the legitimization of anti-apartheid groups, the republic is clearly facing the prospect of a radical constitutional restructuring—after the ethnic violence that has taken more than 1,000 lives this year alone in outright and/or control. Already, the shape of that constitution is a matter of intense debate. Black leaders strongly favor a unitary state with a powerful central government that, under a one-person, one-vote system, they would likely control. Some white moderates, on the other hand, see a permanent

accepted a federal system if it protects personal and collective rights. But putting that principle into practice may prove difficult. For many blacks, like many people in Canada, one of those rights would include the revocation of land that whites do not want to cede. On the other hand, many whites interpret an rights as economic and social advantages that they have enjoyed under the apartheid system. Another point of contention involves the possible formation of a constitutional assembly. The ANC, which has withdrawn from constitutional talks until the government accepts responsibility for ending racial violence, has been pressing for an elected assembly to draw up a constitution, and for its interim government during the transition to a new South Africa. But



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the National Party government has rejected both suggestions, citing a potential threat to the rights of minorities, and favors instead a multiparty conference to address constitutional issues.

SPAIN

Following the death of dictator Francisco Franco in 1975, Spain began its conversion from parliamentary monarchy to democracy.

In 1978, a regular referendum ratified Spain's sixth constitution, framed by a constituent assembly. That constitution created a federation granting wide power over health, welfare, education, environmental, tourism and land-use issues to the nation's 17 autonomous communities. One of those, the Basque region in the north, for years has been Spain's primary seat of separatist and terrorist activity. Some of the two million Basques clearly still want more autonomy than they have, and are campaigning for ever wider rights. While polls show that 80 per cent of Basques condemn separatist terrorism, many of them nevertheless fear that violence will erupt next year's Summer Olympics in Barcelona.

SWITZERLAND

The 700-year-old, book-lined European federation of 6.7 million people and four national languages is a pioneer of direct democracy, with the people participating frequently besides electing both houses of the national parliament, the electorate also votes on amendments to the constitution. In some of the nation's 26 cantons (provinces) and six half-cantons, major financial matters have to be submitted to referenda. A petition from 50,000 voters can bring about a national referendum on any nonemergency legislation passed by parliament. Said New York University political scientist George Szabados, an expert on European federalism: "The Swiss system has checks and balances that we don't have."

In Switzerland, power is shared by a national Federal Assembly composed of the Council of States, with 46 elected members representing the full and half-cantons, and the National Council, seated in Geneva's House of Commons. The central government handles foreign relations, the armed forces and the economy,

while cantons are sovereign in health, education and local development.

Constitutional success, however, does not eradicate other problems such as terrorism over language. In 1989, a panel of experts assigned to examine linguistic relations in Switzerland came to the conclusion that "the willingness of the Swiss to understand one another" had greatly declined. That panel discovered that the most common second language beyond the Swiss citizen's mother tongue was not one of



Zulu march in South Africa: radical constitutional restructuring

the national languages—German (74 per cent), French (20 per cent), Italian (5 per cent) and Romansh (1 per cent)—but English. The emergence of linguistic barriers in Switzerland could test the viability of a system of government that is traditionally regarded as Europe's model of cultural harmony.

BELGIUM

Another small but prosperous European nation, Belgium has linguistic tensions much more severe than those in Switzerland—or

Canada. Indeed, speaking at the Brussels-Belwien conference in Ottawa last month, Francis Delpla, vice-president of Belgium's Catholic University of Louvain, re-emphasized that Canada was a "linguistic paradise" compared to his homeland. There, French and Dutch speakers are openly hostile to each other, and that hostility has created wrenching social problems.

In 1970, Belgium decided that the only way to put an end to the ethnic warfare between language groups was to switch to a federal system and decentralize some power. The law transition was completed in 1988, with an amendment to the constitution granting some autonomy to those regions. The Flemish of Dutch-speaking Flanders in the north, francophone Walloons in the south and the cosmopolitan capital of Brussels. Each region was permitted to establish an elected parliament, execute, finance and school systems, as well as to take responsibility for a wide range of services and economic functions. The national government—with two houses of parliament elected for the most part by direct popular vote—also agreed to turn 40 per cent of its revenues over to the belching regions.

Still, the dispute between the Flemings (representing 55 per cent of the population) and the French-speaking Walloons (35 per cent) has not ended. Antagonism is sharpened in Brussels, which is officially bilingual, although 80 per cent of its population of one million is French-speaking.

The current focus of debate is a plan to extend Europe's high-speed train system from France to Brussels by 1995. Disagreement over whether the train line should then continue on through Flanders to the Netherlands or through Walloons to Germany has threatened to disrupt the entire plan—as well as the expansion of Europe's network of 300-km/h trains. "It's a typical part of Belgian national life," declared a spokesman for the Belgian national ministry. "The Walloons think the Flemish people are getting the better deal, and it's the other way around for the Flemish." With "French" and "English" substituted for "Walloons" and "Flemish," that statement has distinct echoes in the current debate over the Canadian federation.

GLEN ALLEN is Ottawa staff correspondent's reporter.

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Editors: no messy clash of political ads and slogans

at week's end, preliminary returns showed that about 60 per cent of Russians voted had done the same, making Yeltsin the president of the republic that extends from the Baltic Sea to the Pacific Ocean. In closing him, the Russians emphatically rejected 74 years of Communist rule and, indirectly, death another blow to Yeltsin's longtime rival, Soviet President Mikhail Gorbachev. "I am putting all my hopes on Yeltsin," said Fedotkin, "and I hope that the Communists will soon be finished here."

Cheerily, the earthy, Siberian-born Yeltsin was the overwhelming favorite in the three-week campaign for the Russian presidency. His public prominence, as chairman of the Russian legislature and the leading spokesman for a loose coalition of reformers trying to shift power from the Soviet government to the republics, helped his overwhelming win rivals as the no-man-

trace with the Kirevskis, Yelkin stressed that he was prepared to work with Gorbachev, his onetime mentor, who has never undergone a similar test of the ballot box. At the same time, the June 12 vote provided other signs that the Communists' hold on power is weakening. Among them: easy re-election victories by Anatoly Sobchak and Gennadiy Yegorov, the reform mayors of Leningrad and Moscow, respectively.

One of the most stinging rebukes to the Communist establishment arose in Leningrad, the country's second-largest city and the former capital, where the Bolsheviks seized power in the 1917 October Revolution. There, preliminary vote counts showed that nearly 60 per cent of the electorate favoured a Bolshevik-supported proposal to restore the city's original name, St. Petersburg. That move has aroused powerful passions in the city of five million people, among the most ardent supporters of the Soviet system.

The referendum, however, is nonbinding, and many local Communists used that only the national parliament has the right to alter a name that it gave to the city shortly after Lenin's death in 1924. Sobchuk, on the other hand, claims that it is the Russian legislature that now has to respond to the referendum results and restore the name Peter the Great gave the city at its founding in 1703. And he brimmed aside arguments that changing the city's name on signs, maps and passports will cost a fortune, roughly \$4 million. "This is

question of the soul," declared Sobchak. "We should not think about it in material terms."

In the U.S., foreign leaders were discussing the Soviet Union as positively these terms—Gorbachev has requested massive amounts of Western aid to save his country from economic collapse. Last week, British Prime Minister John Major formally invited the Soviet president to meet with leaders of the Group of Seven industrial nations after their summit in London next month. And in Washington, President George Bush approved \$7 billion in agricultural loan guarantees, which will allow American lenders to lend money to Moscow to buy U.S. grain products. But the administration also has to deal with the problem on the Soviet side: no sooner had Yeltsin triumphed at the polls than the White House issued him an invitation which he swiftly accepted, to visit Bush in Washington this week.

As the war rages, teams of Soviet and American scholars, meeting at Harvard University in Cambridge, Mass., completed a proposal that they planned to submit to the two governments. Titled the Grand Bargain, the proposal calls for \$134 billion in Western aid over five years—in exchange for a dramatic reform of the Soviet government and economy.

The spirit of change reflected among Soviet reformers in 1988. At the top, the Communist Party marked its victory with a family celebration at its central Moscow apartment, several influential Soviet politicians said that the time had come to reform. Deputy premier Ryzin, a close ally of the fragmented coalition of reformers, also asked party spokesmen to the Communists. *Pravda*, the newspaper, was urged to reform. Deputy premier last December while warning that the government was sliding towards dictatorship, he so antipositively supported the creation of a new political system that Communist officials have

threatened to expel him from the party's policy-making Central Committee. But during a visit to Vienna last week, Shevardnadze announced that such threats would not stop him from sponsoring out for a reformist party. "It was a reaction I expected," he said. "In a certain extent, it is a tribute to the old order." But, he added, "I have the right to state my opinions."

Even before the election, the reform movement showed its growing strength in several key cities with orthodox Communists. In April, Yelisei supporters in the Russian parliament debated on strongly by Communist hard-liners to drop him from his post as legislator.

chairman. Then, reformist deputies brushed aside conservative efforts to delay the election of a republican president with increased executive powers.

When the deputies finally settled on a June polling date, Yel'tsin's rivals complained that lesser-known extremists in the race would not have enough time to present their platforms to the 164 million-member Russian electorate. Said Nikolai Rybkov, the former Soviet prime minister who eventually finished a distant second in Yel'tsin's "Even elections to local councils take three months and not three weeks."

Courtney, Russia's first presidential race was a low-key affair that bore little resemblance to the noisy clash of open political ads and slogans so common in Western countries. Yet it struck a state-of-the-art pose, describing his trips to such far-flung outposts as the northern port of Murmansk as working visits by a state official rather than campaign stops by an elected-lawbreaker. And as he crisscrossed the country, he was as much a peacekeeper as a politician, heeding the advice of reform-oriented independent newspapers in several large cities, including Moscow, Leningrad and Novosibirsk.

lowed, the growing industrial centers in the Ukraine that is his home base. Yeltsin's remarkable, albeit heavily on favorable coverage by Khasisat-controlled central television and Communist-controlled newspapers to spread their messages across Russia's 11 time zones.

In the final days of the campaign, so polls showed Yeltsin leading a commanding lead over his opponents, Communist-controlled media outlets resorted to methods such



Another blow

Among the charges levelled was an understated allegation by Ryszard Matyjaszewski, a former dissident historian turned Establishment defender, that Totin had links to organized-crime circles in Italy. But in the end, Totin not only won strong support from reformers in the major cities, but made significant inroads among traditional conservatives, including rural Romans and Soviet military personnel.

Now, Russia's new president faces tough negotiations with Gorbachev's imperious-chancellor over the Kremlin and the new republics that still want to remain as a renewed Soviet Union. But the ultimate goal for both men is a country that is on the verge of economic collapse was clearly expressed in last week's voting. As farmstead maker Fedorov and others caught his belief, "I just want a better life."

MALCOLM GRAY in Mexico

World Notes

VOTING AND ARTISTS

In various situations completed on the weekend, staff paths indicated that the former prime minister Rajiv Gandhi's Congress (I) party was heading for minority government. Meanwhile, as he does, created the first round of the voting, which had been postponed after Gandhi's May 21 announcement, newspapers charged two Indian Tamil, a 30-year-old nurse and her 25-year-old son, with sheltering the suicide bomber who killed Gandhi. Detectives identified three other suspects, as well as the female assassin, as Tamil from nearby Sri Lanka.

REPLACING SPARTAN

South Africa's white-minority government introduced a bill to repeal the Population Registration Act, the country's last apartheid law, which stratifies people by race. Parliament was expected to pass the bill this week, despite opposition from the hard-line Conservative Party, paving the way for a new, nonracial constitution.

EASTWICH AND VAN WAGENINGEN

Polish President Lech Walesa was a showdown with parliament when deputies, most of them former Communists, failed to muster a two-thirds majority to override his veto of a controversial election law. Walesa accused deputies of drafting muddled legislation that would produce a fragmented parliament in the country's first fully free elections, scheduled for October. Walesa also called for a constitutional amendment that would allow the Solidarity government to issue decrees on economic matters.

SEARCH FOR THE PRESIDENT

A special tribunal in Bangladesh sentenced former president Hossein Muhammad Ershad to 33 years in jail for alleged possession of firearms. Ershad, 61, who seized power in a 1982 coup and who was Bangladesh's longest-serving ruler, resigned last December amid opposition protests in which 300 people were killed.

A STEP TOWARDS DEMOCRACY

Jordan's King Hussein endorsed a new national charter that charts the way he Jordan's first democratic elections since political parties were banned in 1957. Officials said that they hope the charter will define a power struggle between secularists and Muslim fundamentalists. Observers said that 89-year-old Hussein, who was released from hospital last week after suffering an irregular heartbeat, was eager to introduce democracy to ensure a peaceful transfer of power after his death.

WORLD

SMASHING THE MOULD

Ostade Elementary School No. 128 in central Moscow, Alexei Fedotkin had little time to leave his participation in a precolonized setting event last week. For the first time in Russia's 1,000-year history, ostades chose their republic's leader in an open election. But after 25-year-old Fedotkin cast his ballot in the redbrick building where portraits of Karl Marx and Vladimir Lenin still hang on the walls, he had to hurry off in search of cheap groceries—a more common fact of daily Soviet life. Fedotkin, a furniture maker, did acknowledge that he voted for the 63-year-old socialist Ben Yeltsin. And

**IN A HISTORIC
VOTE, RUSSIANS
CHOOSE BORIS
YELTSIN AS THEIR
FIRST FREELY
ELECTED LEADER**

but made significant inroads among traditional conservatives, including rural Russians and Soviet military personnel.

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MALCOLM GRAY in Mexico

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THE PHILIPPINES

Explosive impact

A volcano puts base talks in jeopardy

For 600 years, Mount Pinatubo remained dormant, helplessly overlooking the Philippine city of Angeles. But last week, as Filipinos were celebrating the 33rd anniversary of their independence from Spain, the 4,066-foot volcano literally blew its top. A cataclysm

300,000 people of Angeles faced a longer-term though less lethal threat—the possibility that the Americans might abandon Clark altogether, removing a significant source of livelihood.

The eruption of Pinatubo, 95 km north of the Philippine capital, coincided with that of another long-dormant volcano: the 4,150-foot Mount Datan in south-western Japan, which last blew 399 years ago. But scientists said that although it was highly unusual for two dormant volcanoes to erupt simultaneously, it was entirely coincidental. Imelda Marcos, estranged widow of former Filipino dictator Ferdinand Marcos, had her own explanation for Pinatubo's eruption: God's punishment of the Philippine government for refusing to allow her husband's body to be buried in his homeland. "Lately nobody would from God for what you are doing," she warned.

The eruption halted protracted U.S.-Philippine negotiations on a treaty to return the status of the Clark base and the Subic Bay Naval Base, which expired in September. And some analysts speculated that the Americans may now decide to abandon Clark. They withdrew all 900 guards from the base. Separately, it was once the backbone of U.S. defence strategy in the western Pacific. But observers and diplomats say that may no longer be so, given the decline of the Soviet global threat, the embolism of alternative facilities in Japan, and now the threat of the volcano. As four fresh eruptions rocked the region last Friday, a U.S. Embassy official in Manila posed the question: "How much do we need to build on Clark if it's under threat from a volcano hot again?"

Meanwhile, local municipalities paid the area \$200,000 and an approaching typhoon blew winds of up to 125 m.p.h. threatened to add to the fear and devastation. And scientists predicted that the volcano's worst impact was yet to come. Sed Wally Johnson of Australia's Bureau of Mineral Research and Geophysics, "Six hundred years is long enough for a lot of gas pressure to build up under the volcano." The angry mineral-rich, molten-rich, water-laden soil. When they rise, the two sides could find themselves negotiating the terms for a U.S. withdrawal.

JOHN BERMAN with correspondence reports



Mount Pinatubo erupting last week: warnings

cloud rose to a height of 10 miles, spewing ash and rocks fragments seven hundreds of square miles and sending thousands of tonnes into the air and down the surrounding slopes. Sooty rain clouds to the east, the U.S. air force had already evacuated most of the 36,000 American living and working at its sprawling Clark Air Base—evacuations from the mountain had given three days' warning of the eruption. But in Angeles, on Clark's eastern perimeter, the independence day parade went ahead as scheduled and most of the population remained despite rumors that nuclear weapons stored at Clark were in danger of exploding. The Americans refused to say whether there were in fact nuclear weapons at Clark. And, in any case, the

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A TABLE FOR THREE

NORTH AMERICAN
FREE TRADE
TALKS BEGIN AS
THE MOMENTUM
GROWS FOR MORE
OPEN MARKETS

In his office on the outskirts of Dallas, Russell McDonald is waiting eagerly for the proposed North American free trade agreement to become reality. McDonald, 46, is a regional sales manager for Electrohome Ltd. of Kitchener, Ont., one of Canada's oldest and largest manufacturers of electronic equipment. According to McDonald, whose sales territory includes Mexico, Electrohome ships about \$500,000 worth of video monitors and projection systems to that country every year. But he adds that his sales there would probably double if the Mexican government eliminated its duties on imports of such products, which currently range from 25 per cent to 45 per cent. For that reason, McDonald strongly welcomed last week's local launch of free trade negotiations among Canada, the United States and Mexico. "There's a lot of business to be had in Mexico, but it's coming too much to get it right now," he says. "Every-

one is watching to see how the talks turn out," McDonald and the rest of Electrohome's sales crew may not have to wait much longer. During a four-hour meeting in Toronto last week, Canadian Trade Minister Michael Wilson, U.S. Trade Representative Carla Hills and Mexican Trade Minister Jaime Serra Puche agreed on a broad timetable for talks among their officials in six key areas of contention, including copyrights and patents, trade rules and market access. Publicly, the three representatives declared that they have very firm deadlines in mind for an agreement. But trade experts in the United States say that the Bush administration appears determined to conclude a trade pact by the spring of 1992, giving Congress time to ratify it in advance of the November presidential and congressional elections. "The United States would just as soon have these talks over and done with quickly," said Selwyn Neuwirth, an economist at the University of Texas at Austin. "There's no reason why the negotiations should drag on."

Like many analysts, Neuwirth said that the current round of trade talks will likely prove speedier and far less contentious than the bilateral negotiations that led to the Canada-U.S. Free Trade Agreement (FTA). Those talks began in May, 1986, and lasted for 39 months, the treaty itself, which will phase out most tariffs over a 10-year period, went into effect on Jan. 1, 1989. According to Neuwirth, many of the most sensitive issues in the bilateral negotiations—such as agricultural trade and energy policy—have already been discussed by representatives of the three governments



Pemex studies in Chihuahua seeking profits

during unofficial meetings over the past year. "The really contentious issues have less going over during the negotiating process," he said, "and I assume that each of the participants has some idea of an acceptable outcome."

Another critical difference between the bilateral talks and the earlier discussions between Canada and the United States is the personalities of the chief negotiators. Ottawa's representative is the Canada-U.S. talks man Steve Revenson, an elusive former bureaucrat whose "table-flipping" techniques alienated many U.S. officials—as well as some Canadians. His counterpart was Peter Mengler, a low-key civil servant, whose Canadian trade officials

privately criticized as inexperienced. Said Peter Menzies, a professor of Canadian studies at the University of Maine in Orono: "Right from the start, there was a mismatch of personalities. The Canada-U.S. negotiations began on a bad footing and continued that way to the end."

In sharp contrast to Revenson, Canada's lead negotiator in the current round is John Weeks, 47, a regional career diplomat who previously served as Ottawa's ambassador to

Atlanta, 93, an economist and adviser to Mexican President Carlos Salinas de Gortari, and Julian Katz, 65, Hills's second-in-command and a veteran of trade negotiations spanning nearly five decades. "Katz is a blunt and stubborn fellow," Neuwirth says, "but he'll be nowhere near as difficult as Revenson was the last time. I really don't expect these talks to be contentious."

For his part, Gordon Ritchie, who was Revenson's deputy during the Canada-U.S. negotia-

tion, also expects earlier demands for improved U.S. access to Canada's broadcasting, recording and publishing industries, which are protected under the existing trade agreement. For that part, Canadian officials say privately that they regard Hills's statements on the issue as promising to resolve U.S. legislative. And Wilson, who has pledged to defend Canada's cultural sector, told reporters that the subject was not even raised at the Toronto meeting.

Traffic in agricultural products will be one of the most contentious issues in the three-way negotiations. Farm groups in the United States say that thousands of growers of seasonal fruits and vegetables would be driven out of business if Mexico granted unlimited access to markets north of the Rio Grande. Similarly, Mexico's grain industry—which employs an estimated seven million people, many raising subsistence-level wages—would face serious pressures if that country dismantled its existing barriers against imports of corn, wheat and other commodities. "It's a trade-off," said a Washington lawyer who is advising the Mexican delegation. Depending on conditions of development, he added, "There's sure to be a long phase-in period, but when the dust settles, Mexico will sell fruits and vegetables to the United States and Canada, and we'll sell them grain. In terms of efficiency, it makes perfect sense."

Another potential area of sensitivity is Mexico's energy industry. The country's oil company, the state-owned oil company. Although U.S. officials object to that provision, Serra said last week that he has received assurances from Hills that she will not seek to alter it. Still, U.S. and Canadian negotiators are likely to push for an increased role in oil exploration and development. "At the moment, U.S. companies can't share in any of the risks," Neuwirth said. "That means they haven't got a shot at the big profits."

At the same time, the United States has secured agreement from Mexico that it will not raise the issue of free movement of labor. That stance is designed to placate U.S. labor unions, who feared that their members would face direct competition from Mexican workers streaming over the border in search of jobs at the United States. But in Toronto last week, Hills brushed aside another major objection raised by low trade critics—the widespread concern that manufacturers in the United

THE COST OF BANKRUPTCY

Federal Commerce and Commerce Minister Jean-Pierre Pothier introduced controversial bankruptcy law amendments, which while an annual business tax of \$5,500 per employee for a fixed fee up to \$2,000 a back wages to employees of bankrupt companies. Other proposed changes include bankruptcy fees, which have been unchanged since it was enacted in 1948, would be a company facing insolvency more flexibility to avoid declaring bankruptcy.

INFLATION DIPS SLIGHTLY

Private economists said that the underlying inflation rate is declining more rapidly than the official rate, which rose slightly to 6.2 percent in May from 6.3 per cent in April. But most, a similar statement with the Bank of Canada, said that most of the price increases during the month were the result of increased provincial taxes on alcohol and tobacco.

LANCIN GETS HELP

The Quebec government is lending \$10 million to troubled Montreal engineering firm Groupe Lancia Inc. to help it restructure. Bernard Lancia, chairman of the privately controlled company, says that Lancia needs the money to tide it over until it acquires Montreal subsidiary, Kinetics. Petrochemical Corp. has sold off 40 per cent stake in Kinetics, a Kingston, Ont., waste manufacturer.

SHAREUP AT RANGER

Calgary-based Ranger Oil Ltd. announced a major management change after the sudden death, in heart attack, of longtime chairman Jack Perre. The company's board of directors appointed Bruce Revenson, Canada's former chief free trade negotiator, as its new chairman, but held on to the powers of the chief executive itself rather than conferring them on Perre's handpicked successor, Ranger president Frederick Dymond. Earlier, Westmont Energy Inc. of Vancouver, the firm's largest investor, said it is offering to acquire shares, with 10.5 per cent of outstanding shares, said its interest in the company.

DIVIDEND UP THE TAX PM

Federal Finance Minister Donald Macdonald says that he is considering allowing provinces the freedom to set their own income tax rates. At present, all provinces except Quebec collect a percentage of federal tax payable instead of imposing their own tax regime directly on taxable income. Ontario's new HST program, for one, wants to increase provincial rates on high-income earners.

Serra (left), Hills, Wilson may sensitive issues have already been discussed





with Ottawa as, say, Prime Richard Johnston, is to create them in peace. No-Quebec politicians can support this narrow view, which amounts to cultural genocide.

His policy explains why Manning has no airtime on containing any Quebec separatists, and why his party has caught fire across Western Canada and parts of Ontario. For those Canadians who reserve their special place in Confederation, or have felt that French Canada's suspension have received too much attention and too many federal dollars, the Reform party represents a legitimate alternative to expunge this anti-Quebec bias.

It would be wrong and such a disingenuous to accuse Manning himself of being anti-French. Manning was John Diefenbaker, the last federal leader to actively advocate a free Canada policy. The two men's views of Canada as a homogeneous entity are acoustically similar, but likely at odds with the reality of the country in the political house of two quite distinct, though not necessarily incompatible, founding societies. Because he had been a victim of discrimination himself, Diefenbaker's dream was to foster a single nationality that would wipe any signs that could be attributed to a person's ancestry. The Reform party's goal is articulated in his support for "unhyphenated Canadians," but it took no account of Quebec's special place and history.

Similarly, Manning seems not to recognize that if there is any hope at all of maintaining Quebec within Confederation, the Quebec-Labour confederation will have to be supported, in Quebec. Inter-governmental Affairs Minister Gill Meakins stated last week in the province's National Assembly. The key clause would involve guaranteeing Quebec's status as a distinct society. By rejecting such a demand, Manning has become English Canada's champion of sovereignty-association and is effectively encouraging Quebec's separatists to make the break. "Quebec is the only province that can break the Canadian Constitution wide open," he explains. "It's our hope in the West that Quebec's break could give us some very fundamental changes to progress as well, and our list will be quite different from Quebec's."

As architect of the Reform party's transformation to capture a majority of the seats in the House of Commons by replacing Quebec's separatists, Manning has made a bet on the success of a risky political venture. Should he succeed, Quebec would have no choice but to negotiate that would have Ontario—with 39 seats—preliminary in the New Canada he advocates. He would then have to face the anger of his western followers. If the Reform party's success would stem the tide to secession, only to find that it helped consolidate Ontario as the country's power center.

Consequence-fetters have become so reliable that anything can happen. But there's no guarantee that the Reform party, not to long ago a fringe movement, will do one element that John Diefenbaker's party has become a significant political force. Only Preston Manning can determine whether its actions will help or hinder Ottawa representation for Western Canada—or for the country as a whole.

Preston Manning's contradictory vision

BY PETER C. NEWMAN

Last week, Preston Manning was busy fighting political fire across Ontario, convincing an accelerating number of Canadians that his Reform party could sweep into office—or at least hold a balance-of-power position—in the next federal election. That's said a long shot, but Manning's approach is so potent for two reasons.

Canadians have lost confidence not only in the politicians who practice it, but also in representative democracy itself. The Reform party appears to offer an alternative direct representation in which elected MPs act solely as their constituents' delegates, reflecting their specific needs rather than those of their party, or even of themselves.

But that approach won't work because a country of this size and complexity—which also happens to be bankrupt—cannot be governed without its central authorities' making tough, often unpopular decisions. Manning's vision of reform to government is superficially attractive and locally successful.

Most serious—and much more dangerous—is his policy that Quebec must give up its distinctive, which is inconsistent of Clyde Wells's attempt to stand during the March 14th debate. Manning is essentially saying Quebecers to go away and do that one thing—unless they want to become exactly like everybody else in the West of the New Canada in a blunt and brutal insult Quebecers stand on precisely the same terms in every other province, or if most leave. This is what he really means when he keeps repeating: "The Old Canada is dying. We need a New Canada!"

The Old Canada isn't just dying—it's dead. But the Reform party's New Canada without Quebec is no Canada at all. Yet a Canada without Quebec is where Manning's vision clearly laid, though he insists that he doesn't want the country to break up.

He is spent official indignations and multi-culturalism, pretending that this country remains dominated by whites like himself. Current demographics disagree that, but it's been

written of introducing new adjustment programs to suit workers and companies but Mexican free trade. Declared the minister "There's \$66 billion worth of two-way trade between the United States and Mexico. With Canada, it's \$2.2 billion. So the impact on the Canadian economy, and the adjustment that would be required, would be fairly limited."

The many Canadian exporters, a large issue in the need to obtain better access to Mexico's vast and growing market. With a population of 90 million, the country presents an attractive target for a wide range of manufacturers, as well as its acquiring companies with the expertise to construct roads, dams and pipeline networks in Mexico's states to modernize its still relatively undeveloped economy. But doing business in Mexico is often difficult. Bureaucratic McDonald, for one, says that Mexican customs officers often delay his firm's shipments for days or even weeks because of minor clerical errors in accompanying documents. He added that most companies that ship products across the border have, at one time or another, felt compelled to pay bribes. Declared McDonald, "Unfortunately, there's more corruption than there is to be done."

The Dallas-based businessman can only hope that the proposed free trade agreement comes into force quickly—eliminating any of the existing barriers to cross-border trade and greatly expanding his sales opportunities in Mexico.

ROSS LAYMAN and JOHN DILLI in Toronto and JAMES MCKENZIE in Washington

GETTING TOUGH ON SMUGGLERS

Under the old rules, Customs could try to bring goods across the border found a minimum penalty equivalent to three times the amount of duty and taxes that they tried to evade. In future, Justice said, they will be fined a maximum of 25 per cent of the value of the goods. It is a new 25 per cent cap for repeat offenders. As well, customs officers will automatically seize smuggled tobacco and alcohol, and will have the right to seize \$144,000 each nation of cigarettes and \$112 for each litre of alcohol in case of 24-hour. And the minister "I hope it will send a strong message to Canadians that they better work out."

Valentine, for one, welcomed Justice's announcement. But the plan to crack down on smugglers did little to appease Canadian retailers. One of the industry's most well-regarded leaders—George Lewis, president of Waldba's Bay Co. of Toronto—said that the measures announced by Ottawa were mostly "a Band-Aid." He called on the government and to increase the number of customs officers and import virtually all Canadian can come from the United States. They might help Canadian retailers, but it would do little to improve the popularity of the federal Conservative government.

BARBARA WICKENS

Stop the merry-go-round!

Realities are mounting. Many would stress that even if the new system, should it ever really launch, the terms are still, and badly, heavily on one side. "Stop the merry-go-round. I want to get off. I'm on the play of some years ago but I. Stop this thing."

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ENVIRONMENT

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Scientists grapple with greenhouse gases

By drilling hundreds of test pits Arctic glaciers and recovering core samples of ice, scientists have been able to measure the changes in the levels of carbon dioxide (CO₂) present in the Earth's atmosphere over the past 180,000 years. According to Barry Stucki, a University of Guelph, Ont., geographer, current levels of CO₂, a gas that some scientists say is contributing to a warming of the Earth's atmosphere, are higher than at any time during the past 1,600 centuries. Speaking at a conference in Toronto on world climate change last week, Stucki warned that increases in global temperatures could mean more levels and cause catastrophic flooding of such coastal cities as Miami and Vancouver. He added that the short-term prospects for stopping global warming, by securing an international agreement that would sharply reduce the amount of carbon in the world's atmosphere, appear to be slim. "We'd Stucki," Our calculations are not well designed to measure global change on such a scale."

Organized by the Washington-based Climate Institute, a privately funded environmental advocacy group, the conference brought together experts on global warming from more than a dozen countries, including Finland, Indonesia and Turkey. The principal topic of the meeting was the potential impact of climate change on metropolitan areas and the measures that city governments can take to reduce its effects. In a

opening address to 394 delegates, Stucki said that as a result of concerns about global warming, dozens of similar international conferences now are held every year to discuss the issue. But Stucki said that stopping or reversing the trend will be a complex task requiring unprecedented international cooperation.

Indeed, negotiations on a global agreement aimed at reducing the extreme pollutants responsible for the so-called greenhouse effect, which most scientists say is responsible for global warming, began last February in Washington, and a second round of talks was scheduled to be held this week in Geneva. Douglas Russell, director of the Environment Canada office that is co-ordinating Canadian participation in the United Nations-sponsored discussions, said that representatives of more than 230 countries were expected to attend the Geneva meeting. At least three more bargaining sessions will be held in an attempt to complete an agreement in time for the UN Conference on Environment and Development next June. The conference, which has been dubbed the "Earth Summit," will be held in Rio de Janeiro, Brazil.

Russell said that Ottawa wants a comprehensive agreement that would include specific targets and schedules for reducing emissions of CO₂ and other so-called greenhouse gases. At the Washington meeting in February, the pre-

liminary sessions spent almost 10 days discussing the procedures for drafting an agreement. They also established two working groups, one that will try to set international commitments for reducing greenhouse gases as well as funding and technology transfers for developing countries, and a second to spell out how these commitments would be fulfilled. Russell said that in Geneva, the working groups would try to begin drafting an agreement.

But told the delegates at the Toronto conference that scientists have found convincing evidence to support the theory that the greenhouse effect is raising world temperatures. According to this theory, gases such as CO₂, a waste product created by burning fossil fuels including oil, natural gas and coal, collect in the upper atmosphere. These gases trap heat that would otherwise bounce off the planet's surface and escape from the Earth's atmosphere. Stucki said that atmospheric levels of CO₂ now have reached concentrations of 353 parts per million—a 24-per-cent increase over the amount of CO₂ present in the atmosphere in 1790, prior to the industrial age.

Many of the scientists, environmentalists and municipal officials attending the Toronto conference proposed solutions to temperature change that municipalities could apply. Ilse Schmitt, a research scientist at the Lawrence Berkeley Laboratories in Berkeley, Calif., described a phenomenon known as urban heat islands. He said that on summer days, the temperatures in a city may be five Celsius degrees higher than in the surrounding countryside. Schmitt added that if global temperatures rise as predicted during the next 50 years, cities could become increasingly unpleasant places to live in. He said that one way of reducing urban temperatures would be to paint asphalt surfaces white to reflect heat.

While most environmental scientists accept the theory that global warming is occurring, they also concede that solving the problem will require fundamental changes in national economies. Stucki noted that some scientists estimate that a reduction of more than 60 per cent in emissions of greenhouse gases would allow global temperatures to stabilize at current levels. "The issue is clearly intertwined with our daily lives," said Stucki. "How do you bring about a reduction of two-thirds in emissions from automobiles?" He added that such developing nations as China, India and Brazil reserve the right to exploit their natural resources, including forests and petroleum reserves, even if that contributes to the greenhouse effect. Clearly, reaching any kind of consensus on global warming will be a matter for all leaders of the globe.

BY ARCY JENSEN



ALTER EGO

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MEDIA WATCH



A blind spot for the NDP underdog

BY GEORGE BAIN

The New Democrats have always enjoyed sympathetic treatment at the hands of the Ottawa media corps, which they would be guilty of gross ingratitude to deny. Some Conservatives at times have attributed the generally favorable view taken by the media of the NDP to an ingrained leftward bias on all media people. The Liberals are less quick to offer the same simple explanation—in which those same souls—because, when their own ideological cross-edges touch to that end of the spectrum, they would not want to forgo any journalistic knee that might otherwise result. It was a Liberal, after all, who once described the NDP, the firebreather of the time, as simply "Liberals on a merry-go-round," which was to say, "Just like us, but less prudent."

But there is more—or perhaps less—than ideology behind the tenderness of parliamentary reporters towards the third party. The allyship exists in part on the fact that the media and the New Democrats share the same freedom from responsibility to establish, or even to recognize, priorities. When such practicalities as, for instance, money are capable of being left out of account, as they are by both media and a party unencumbered by imperatives of governing, anything becomes instantly possible. That leaves the way clear to get on with criticizing those who decry the responsibility of weighing-priorities or who may be in imminent danger of scheming it—*which the federal New Democrats have never been* and the media never will be. It makes a considerable common bond.

The bond has been strengthened in a curious way by its having become doctrine in Canadian political journalism—the same is not truly so evident in national political reporting in the United States or Britain—that hostility in the natural state of relations between media and government and that any reporting worthy of the name is derogatory. In a three-party system, a party chronically out of office and slacking roughly the same attitudes makes a

The media and the New Democrats share the same freedom from responsibility to establish, or even to recognize, priorities

comfortable place for reporters to park their sympathies as it is to be able to say "A plague on both your houses!" to the parties with some experience of the realities of power.

There scarcely could be a better illustration of the ultra-glib treatment accorded the national New Democrats by the political writers and broadcasters than at the party's convention in Halifax in the June 17 to 18 weekend. The effort of the other parties produced, with such official self-congratulation, a meek soberness of solicitation as to (conspicuously as much in reform of the Constitution, the journalists' cries of denunciation and outrage would have been heard countrywide.

The Halifax Chronicle Herald/headlined the convention story on the Monday, "NDP avoids divisions," in which it added a secondary note, "Compromise policy adopted on unity issue." All that was true enough, but cynics would had given that the divisions had been evaded, and the compromise arrived at, by sweeping large difficulties under the rug and producing a shell of a policy. Don MacDonnell, the newspaper's Ottawa correspondent, recorded party leader Audrey McLaughlin's saying, "What we needed out of this was a framework... where the caucus and leader should go from the de-

gates' point of view. It's an ongoing process. It's not something that stops here. We have the caucus and we have the party to deal with." He also reported McLaughlin's warning, "I left the door open to seeking other advice," of which her professed examples were former vice-president Howard Payton (Montreal) and Allan Rock (Ottawa).

Of course, various in the caucus speech debate in the House of Commons on May 15, McLaughlin criticized the Mulroney government for relying too much upon Parliament—"The establishment of another traditional parliamentary convention, more politicians talking to other politicians"—in particular aims for a new constitutional second line of course, with a broadly based constituent assembly, selected or elected by means as yet undefined, "bringing people together into the process from the beginning." That same dedication to demonstrating the process as a fact of all is evident in McLaughlin's thinking about how her party itself should go about deciding upon a constitutional position. Given that another NDP national convention will not occur for two more years, the risk and fire can be intended to have laid their way far off the road that remains before the decision as the country's future has to be made. Instead, the party caucus and the party leader, which are the NDP in Parliament, will decide, with the help perhaps of a couple of retired professors—politicians talking to politicians—what party policy in national unity should be, often in a highly traditional manner, on credit behind highly traditional closed doors.

According to Ian Wedel, MP for Port Moody/Capitolian, as reported by Geoffrey York in the Toronto Globe and Mail, that method of proceeding was chosen in "a way of avoiding a divisive debate" that would be the worst sort of open and unstructured debate, which scarcely could be guaranteed not to be divisive, as precisely what McLaughlin was demanding in the House of Commons. Why, then, they so eagerly around it at their own convention? That, so, the New Democrats weren't having anything as potentially messy as that in their own backyard.

"What we have done Canadians to one day is that we can achieve a constitutional accord as what everyone is a winner," according to Quebec, Fraser's assistant in the Guide of McLaughlin's final address to the convention. "We have said 'yes' to Quebec... We have said 'yes' to the West. We have said 'yes' to ethnic-cultural and visible-minority Canadians. We have said 'yes' to the disabled. We have said 'yes' to women. We have said 'yes' to the North. And we have said 'yes' to Canada's first nations... If we can do that in one day, there is hope that in the next 18 months, this country can feel the same consensus if they will only listen to everyday Canadians..."

If any politician of any other political persuasion had tried to dispense this sort of grant of present, meaningless business as that paragraph continues, the reporter present would have had her or him stared in the streets. Fraser notwithstanding. The last of attractiveness in part of her career of including everyone.

A sterling tribute

The Canadian Opera Company revels in Mozart

Some of the most elegantly timed performances in the Canadian Opera Company's new production of Mozart's *Così fan tutti* (And Where Are We? Well, take place, set of night. At one point in the daily comic opera, tenor Richard Croft sings a tender love song on the edge of the stage—while it has been behind a thin curtain. The technical crew is doing a huge, seamless wall. In order to keep the raveling of the set change from breaking through the view, a music

Throughout most of June, the Elgin Theatre—a recently restored, 1,500-seat venue that the CCO is using for the first time—is the site of shimmering operas. Along with *Così fan tutti*, the company is presenting the Canadian stage premiere of Mozart's sonatas, recently performed last opera, *Le Cossacks* at the TSO (The Chorus of TSO, at the Elgin). And last week, the CCO began staging one of Mozart's most popular comic works, *The Marriage of Figaro*, at its main stage, the 2,300-seat O'Keefe Centre.

The three productions conclude the most ambitious season in the 41-year history of Canada's largest opera company—a season that could stand for years to come. Rehearsal pressures have forced the company to reduce its intended 10-opera program for next season by two works (Raguer's five-hour *The Marriage of Figaro* and Puccini's *Turandot*). Meanwhile, a project to build a new ballet-opera house in Toronto for the CCO and the National Ballet of Canada is in limbo following the withdrawal of provincial and federal funding.

In the meantime, the freshly gilded, pre-First World War-era Elgin, is providing the CCO with an exciting new venue for smaller productions. Although CCO general director Brian Dickie pointed out that the theatre's small orchestra pit and minimal back-stage area render it too small for grand opera, he noted that the Elgin is acoustically superior to the cavernous O'Keefe Centre. Said Dickie: "At long last, there is a building we are performing in that is truly capable of showing to the public the quality of what we can do."

The works that the CCO staged this month are about as different as three Mozart operas can be. First performed in Vienna in 1796, *The Marriage of Figaro* is a class-struggle comedy about servant sweethearts conspiring to convert a ludicrous count. The CCO's Figaro stars the vibrant American baritone Ján Opatkiewicz as the misanthropic title character. *Così fan tutti*, which was first produced in 1796, is about a swindler's prank that ends in bitter laughter: two soldiers disguise themselves as each other's lover to test the women's constancy and are horrified when their seductions succeed. In a production that has grace and verve to burn, Canadian soprano Joanne

Kolomojczuk and English mezzo-soprano Louise Winter give lively and memorable performances in the women.

This is a striking triumph. The opera, which received its first performance only months before Mozart's death on Dec. 5, 1791, examines the inner turmoil of a benevolent Roman emperor. Deeply hurt when his best friend betrays a conspiracy against him, Titus nonetheless pardons the man. In this intense and intelligent production, the set suggests the Roman Empire era, while the costumes are late 18th century. Explained in American director, Stephen Wadsworth: "The opera is not really about ancient Rome, but about an 18th-century idealism, conscious of an enlightened ruler." Titus blamed with a strong case, led by Canadian tenor Richard Margison, who delivers a heroic and deeply affecting performance as the emperor.

With its current season drawing to a close, the CCO is already gearing up for next year's lineup, which will include new productions of Verdi's *La Traviata* and Beethoven's *Fidelio*, as well as the world premiere of Canadian composer Harry Somers's *Memoirs and the Mountains*. While general director Dickie says that he regretted having to shelve plans to present *Misogynist* and *Turandot*, he added that governments and private funding for the arts has deteriorated during the recession. Said Dickie: "I can't afford to go into a deficit, because there's no one to bail us out." Opera must live or die on its own merits, but opera managers must often contend with harshly disheartening realities.

PAKELA YOUNG

Maclean's

NEW: SMALL LIST

FICITION

- 1 *As the Crow Flies*, Acker (1)
- 2 *W.F. Is for Henshield*, Croft (4)
- 3 *Immobility*, Kestner (3)
- 4 *Brilliant Love*, Boudier
- 5 *Veritas*, Bond
- 6 *Bartholomew*, Bond (7)
- 7 *A Soldier of the Great War*, Wilson (10)
- 8 *The Senses of Kall*, Edgerton (9)
- 9 *The Novel*, McIntyre (5)
- 10 *The Kitchen God's Wife*, Tan

NONFICITION

- 1 *Stephen Parnell*, Maple (4)
- 2 *The Breaks of Grace*, Vane
- 3 *Love, John*, Bly (5)
- 4 *Wendy Hill*, Lee (3)
- 5 *Wendy Hill*, Bly (5)
- 6 *The Communion*, Howard (7)
- 7 *Life After Death*, Hargreaves
- 8 *Perfection of Wives*, O'Rourke
- 9 *Chivalry: A Life*, Cohen
- 10 *Inauguration*, Hargreaves (8)

(1) Fiction list only

Compiled by Brian Brubaker



After dinner, a view of the dancing party.

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can who is stationed backstage signals the wall-panels to slide down when the singer and the orchestra are coming up to start passage. "And when the music breaks up," says CCO technical director Bruce McMillan, "we do it." Such delicate maneuvers are the swiftness of the CCO, which is presenting three Mozart operas this month as part of Toronto's Glory of Mozart festival, a tribute staged to commemorate the 200th anniversary of the composer's death.



Grasping for the big picture

BY ALLAN FOTHERINGHAM

Those of us who are bored by the rigidity of Sunday school are always susceptible to surprise. The rigidity of Israel is shocking, even on a second visit. Mark Twain said it best in *The Innocents Abroad* when he first saw the River Jordan: "When I was a boy I sometimes get the impression that the River Jordan was 4,000 miles long and 30 miles wide. It is only 96 miles long and it is not sky water like Broadway in New York. There is the Sea of Galilee and this Dead Sea—neither of them 20 long or 12 wide. And yet when I was in Sunday school I thought they were 80,000 miles in diameter. Travel and experience may alter the grandest pictures and rob us of the most cherished traditions of our boyhood. Well, let that go; I have already seen the Kingdom of King Solomon descend to the sea of Phoenicia. I suppose I can bear the reduction of the seas and the river."

Israel is a land in transition. A nation of only some five million people, increasing by Russians and black Africans (two per week), it is on the world's front pages most every day. It is an impossible country, surrounded by enemies, supported by most of the rest of the world, hard to deal with, difficult to describe.

Geographically, it is a wonder, shifting in climate and look within 30 miles. Part of it is still out of Sunday school, the wandering shepherd and the plucking camel intact. The next half? A miracle and a nuclear capability that keeps its neighbors at bay. It is not an easy country to love, a country impossible not to fascinate.

It is scarcely 50 miles across in its populated areas, only nine miles wide in north to large part of the desolate West Bank can be given up. A land almost impossible to defend, its location when the dimmed Middle East, an even its nearest neighbor, belied his words over between Jordan—past to Tel Aviv on the Mediterranean. He had then, every corner Jerusalem, the smaller holy city, not daring would again if he tested that target. The commander of his command, Tel Aviv, were safe.

On the highway from Tel Aviv some 40 miles



disappointed Twain—and anyone who sees it. The very pag, so one descends to the Dead Sea, 1,300 feet below sea level, just as surely as they pay when one rises to get it. It is the lowest body of water on earth.

It enters the story of Bob Strauss, the new Bank lieutenant in ambassador to Moscow, who was born locally in 1915. Young Carter's solution to the imponderable Israeli-Palestine dispute over the West Bank. After flying over the parched, desolate hills, Texas winter-lander Strauss exclaimed: "Why would one side want it and why would the other side not give it up?" Strauss does not live long in the West Bank, he did not last long here.

Halfway down the Dead Sea, at the El-Gedi kibbutz, there is by accident encountered one Roy Amis, from downtown Waco, one of the beauty spots of the world if you happen to love the Trans-Canada Highway between Keweenaw and Toronto—or Vancouver and St. John's, if you will. The El-Gedi kibbutz, if you arrive from Miami, could be in Florida or southern California. Lush, green, serene. Fed by natural springs in the bare-dry mountains above, El-Gedi is a town in itself—a beautiful theatre, a lush field with grass to grow an army, indoor and outdoor swimming pools, guest houses and the belief that the co-operative effort will solve all life's problems through its dirt groves. The wily Waco chap, who has been here 30 years, drives into Tel Aviv and plays in the Israeli hockey league. It is a strange country.

It is a cave is found the site of the Dead Sea Scrolls, not to mention the spot a while back where Jesus raised Lazarus from the dead. Luckily, there is no Old World's in commemorative place.

Further down the Dead Sea, where the backdrop of salt cakes now resembles Lake Woumang at spring break, there looms the land-erasing cliff-top fortress of Masada, where that had put the end of the Jewish revolt. The noise he was attacked by Cleopatra. When the Romans arrived after destroying Jerusalem, in AD 70, 15,000 legionnaires garrisoned below the sheer cliffs for two years: the massacres of their camps still discerned, as are the remarkable ruins and remains that sustained the stubborn men above.

At the Red Sea, crossing into Egypt, the lady who presides at carrying. Fagan and Elly in her research brief comes as host's duty while the Egyptian border guards, either out of sympathy or reverence, insist on inspecting each page, each broken plate. These circumstances are unique. Nothing in this area of the world is normal.

into Jerusalem, portions could be British. Go back—thick trees and sharp cliffs. The road shifts into Arab villages on hilltops, terraced slopes that held olive groves more centuries ago than can be counted. The new suburbs on the cliffs outside the city could be out of San Diego. They were not in the Bible.

From the heights of Jerusalem, the original "city on the hill" that Marco Polo and now George Bush walk for political gain, the road east to Jericho within a mile is a dry desert, the mandatory camel herds smoking morosely beside the road, its perspective in turning its backside to those so persistent as to attempt a snapshot through the car window. Illustory has its price, and so does a camel's skin.

The lion of the Good Samaritan is to the right; further along, as is the grave of Moses, further along to the left, though some religious political matters were even, the Jordanians controlling that portion of the river that so



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